

CURRENT HISTORY

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Current History

MARCH, 1985

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In this issue, eight specialists evaluate the stability of the Central American nations. How democratic are these nations? What are United States security interests in the area? As our introductory article on United States policy notes, "From the beginning, the [Reagan] administration has framed the debate over Central America in terms of United States credibility worldwide.... Crudely or subtly, the Reagan administration tries to transfer fears rooted in the United States-Soviet nuclear stalemate... to an arena where the United States confronts weak nonnuclear states to which Moscow has made no military commitment."

United States Policy in Central America: A Choice Denied

BY ELDON KENWORTHY

Professor of Government, Cornell University

PERHAPS the most accurate statement to be made about United States policy toward Central America is that there is no coherent United States policy toward the region. If each Central American nation elicited its own considered, consistent response from Washington, a regional policy might not be missed. But current policy is less tailored than torn. Not only do the President and Congress not see eye to eye but the Executive—the dominant force in foreign affairs—is of two minds, neither of which can convince the other. As one State Department official recently put it, "The two main alternatives to current policy—outright military intervention or a political solution—are both unacceptable, but there's no agreement on what else to do."¹

The United States government is spending more money on Central America, shipping more arms, cataloging its problems more thoroughly, and intervening in elections more deeply—all without a clear course set by the President, his Cabinet and his aides. Each of the alternatives—"outright military intervention or a political solution"—have their proponents in high office. But each of these strategies carries a cost that, so far, the President and his inner circle have been unwilling to accept, although the White House has been unable to find a third alternative.

However, lack of agreement has not put United States action on hold. Each Washington faction has its troops and pursues its own vision. The State Department and Congress have explored possible political solutions. "Spe-

¹"U.S. Aides Reported Deadlocked Over Nicaragua," *The New York Times*, December 9, 1984.

cial envoys" and congressional delegations have talked with all parties to the Central American conflict, including those the administration opposes—the Sandinista government of Nicaragua and the Farabundo Martí National Liberation Front and its political affiliate, the Democratic Revolutionary Front (FMLN-FDR) in El Salvador.

Many Latin American and West European observers believe that a negotiated solution remains the best hope and a real possibility for ending the conflict. Since 1981, Mexico—joined the following year by other countries bordering Central America (Venezuela, Colombia and Panama)—has presided over many meetings of the Central American states, trying to find common ground. These negotiations by the Contadora group (named for the Panamanian island on which the four countries first met in 1982) have produced a series of draft agreements, each one reducing the number of unresolved issues until a supposedly final Contadora treaty emerged in September, 1984.

Hope for a political solution has also sprung from negotiations between the Sandinistas and the Democratic Coordinating Alliance (the regime's most influential opponents, which includes politicians, businessmen and union leaders), and between the Sandinistas and one of the two Indian groups that have taken up arms against them. With the Archbishop acting as intermediary, discussions between the Salvadoran government of President José Napoleón Duarte and the FMLN-FDR have also been initiated. In most observers' eyes, the keystone of a political solution remains the Contadora process,

which enjoys the backing of most Latin American and West European governments and is seen as a Latin American solution to a Latin American problem.

The nearer Contadora has come to fruition, however, the more obstacles Washington has placed in its path, principally by influencing its clients—the governments of El Salvador, Honduras and Costa Rica—to raise new objections. When the Sandinistas accepted the treaty in its supposedly final form in September, 1984, Washington pronounced the document “unsatisfactory,” although it had never before publicly criticized its evolution. In its final version, the Contadora treaty addresses all the issues the Reagan administration said should be addressed, including democratic elections, and does so in ways that apparently accommodate legitimate United States national interests. Thus Washington’s newly found dissatisfaction with the treaty’s “verification mechanisms” seems contrived.² United States surveillance in Managua is extensive and sophisticated; it is hard to believe that verification presents a genuine obstacle for the Reagan administration.

A leaked National Security Council (NSC) directive, signed by the President in April, 1983, described administration strategy as an effort “to coopt [the] negotiations issue to avoid congressionally mandated negotiations.”³ More recently, in another leaked NSC briefing paper, the administration congratulated itself for having “effectively blocked” the latest Contadora initiative.⁴ Given the financial and/or military dependence of several Central American governments on Washington and the reality of United States power in the region, the Contadora process cannot succeed if the Reagan administration continues to undercut it.

Thus, while Secretary of State George Shultz is described in the Washington press as interested in a political solution, either his views do not prevail or the solution he has in mind differs greatly from that painstakingly worked out by the Contadora countries, who are democratic allies of the United States. No doubt special United States envoys will continue to travel and talk but, lacking the President’s commitment, the “political solution” will be more “used” than made use of.

Nonetheless, the Contadora treaty would seem to provide the answer to Washington’s dilemmas. If implemented, it would dampen conflict by isolating one country’s civil war from another’s and by reducing the inflow of foreign arms; it would also prevent the Soviet Union or the Cubans from establishing a military presence in the area through bases or advisers. The fear the administration most frequently voices regarding leftists in

power in Nicaragua—“a faraway totalitarian power... turning Central America into a string of anti-American, Soviet-styled dictatorships”—would seem to be effectively answered by Contadora. This is an agreement, moreover, that regional powers like Mexico and Venezuela have a stake in enforcing. In effect, in the Contadora treaty Latin America would acknowledge Washington’s international role in Central America in exchange for clearer restraints on United States and Soviet and Cuban involvement in the internal affairs of this region.

Why, then, is this solution sabotaged by an administration that has its hands full in the Middle East and, more recently, in arms negotiations with the Soviet Union? Two answers point in the same direction. First, the United States refuses to legitimize the Sandinista government by endorsing an agreement shaped and signed by the Sandinistas. Second, Washington relies on a double standard in its dealings with Central America. The provisions in Contadora that limit Soviet–Cuban military influence in Nicaragua would also limit United States military influence in El Salvador. If Managua cannot supply leftist insurgents in El Salvador, then Washington cannot supply rightist insurgents in Nicaragua. There is no way that Mexico, Venezuela, Colombia and Panama could lend their good offices to an arrangement that merely cloaks imperialism. Nor could Nicaragua, Costa Rica and Guatemala sign such an agreement.

THE MILITARY OPTION

As in the case of the “political solution,” preparations for a “military solution” have proceeded apace. Indeed, they have proceeded at a pace so rapid as to cause many observers to conclude that this is the United States policy. In this instance, as in the case of the political/diplomatic approach, officials near but not quite at the top of the decision-making apparatus have acted as if they had the green light, only to find their efforts checked. But far greater resources have been devoted to a military than to a political solution. It is the “unchosen” option with the greatest momentum.

By April, 1984, *The New York Times* found the Defense Department “now in a position to assume a combat role in Central America should President Reagan give the order.”⁵ By that time, nearly 2,000 United States military personnel were on continuous duty in Honduras and El Salvador, compared to 200 a year earlier. Military maneuvers—begun in 1982 and projected into 1988—frequently boost this total to 20,000 or 30,000, including sailors and marines on ships nearby. A half dozen airfields have been constructed in Honduras, which borders both El Salvador and Nicaragua, and Honduras has been filled with military supplies. Sophisticated reconnaissance grids are now in place and links have been laid for coordinating United States commands with those of allied armies.

“Perhaps more remarkable than the buildup’s pace,” notes the *Washington Post*, “is the way it has unfolded,

²“Latin Peace Plan: Why the U.S. Balks,” *The New York Times*, October 3, 1984.

³“National Security Council Document on Policy in Central America and Cuba,” *The New York Times*, April 7, 1983.

⁴“U.S. Memo: Latin Pact ‘Effectively Blocked,’” *Boston Globe*, November 8, 1984.

⁵“U.S. Latin Force in Place If Needed, Officials Report,” *The New York Times*, April 23, 1984.

frequently overtaking administration pronouncements about the U.S. role and largely without the public authorizations that normally accompany foreign commitments.⁶ Congress has been continually surprised to discover how the restraints it placed on United States military involvement in this region have been stretched beyond the limits of language and law. "Military advisers" did not include "trainers," airfields were only "temporary," drawing combat pay did not mean soldiers were in danger, to cite only some statements from the Defense Department. Half the United States military aid sent to El Salvador has not been approved through the usual congressional channels.

The Central Intelligence Agency (CIA) has flouted the Boland Amendment, which prohibits the use of United States funds "for the purpose of overthrowing the Nicaraguan government," and has withheld information from congressional oversight committees; for this reason, in October, 1984, Congress took the unprecedented step of freezing all funding for CIA paramilitary actions aimed at Nicaragua. This does not spell the end of United States involvement, only the privatization of its role in dealing with Nicaragua's contras. (Contras are anti-Sandinista Nicaraguans, operating primarily out of Honduras.) The CIA is currently facilitating support for the contras from private United States citizens and organizations and from other governments, despite the ban on such activity in the United States Criminal Code.

Not only has there been a fivefold increase in CIA operations since Jimmy Carter left the presidency, half of them in Central America, but there has been a significant growth in the uniformed services' "special operations" as well.⁷ Since both are secret, the extent to which United States personnel are now engaged in combat missions can only be surmised. Sixteen of the 35 "accidental" fatalities reported by the United States Army in 1983 occurred in one battalion that ferries commandos to and from clandestine missions. Pledged to secrecy, many of these helicopter pilots told their families they were "going south" before being reported killed in accidents caused by "mechanical failure" in United States waters.⁸

Disguising the real role of United States soldiers reportedly killed in the line of duty, along with the double-speak disguising the extent of military and CIA operations, point to the cost of any military solution. Opinion polls consistently show the American public to be wary of deeper involvement in Central America, primarily because Americans fear the loss of American lives. Rarely

⁶"The U.S. Military Buildup Continues," *Washington Post National Weekly Edition*, April 30, 1984.

⁷"Shift Is Reported on C.I.A. Actions," *The New York Times*, June 11, 1984.

⁸"Families of Dead Soldiers Tell of Secret Copter Unit," *Boston Globe*, December 16, 1984. The Defense Department later denied this report.

⁹"On Central America, Reagan Is Consistently Unpersuasive," *Washington Post National Weekly Edition*, May 14, 1984.

¹⁰"Top Reagan Aide Defends Use of Covert Action," *The New York Times*, May 14, 1984.

has President Reagan received a higher than 30 percent approval rating for his Central American policy. On few other issues does this popular President meet such consistent skepticism and resistance. The United States invasion of Grenada was popular because it fulfilled the public's desire to see its country "stand tall" at little cost. Inasmuch as administration-manipulated images of the invasion cast it as a "rescue operation," this intervention also flattered Americans' image of their role in the world.

But the administration has not been able to repeat this public relations success in Central America. President Reagan delivers a solemn speech to a joint session of Congress invoking duty and honor; there is a trumped-up charge that Soviet MiG's are being secretly delivered to Nicaragua; Central America has been a prime-time drama whose theme is Soviet penetration of the hemisphere. Yet, for whatever reason, according to pollster Barry Sussman, "on foreign policy Reagan has seldom been able to move the country toward his thinking."⁹

Thus there is a paradox: every move toward a military solution in Central America is presented to the American people as a way to avoid sending troops there. Whenever the administration seeks more funding for the Central American armies it supports (including the anti-Sandinista contras) or for its own military maneuvers, constructions and operations, the White House presents its request as the only way to end the conflict in Central America without using American troops. According to National Security Adviser Robert McFarlane, the "gray area" of covert actions, accompanied by generous supplies to the Salvadoran and Honduran militaries, ensures that the United States will not face the agonizing choice of losing these conflicts or losing its soldiers. Funding is presented as the prudent middle choice.¹⁰

This is no doubt the preferred policy: a military solution at minimal cost, especially in United States lives. The political solution inevitably confers a rough equality on all participants, like them or not, and at least means accepting the equal status of those sitting at the same bargaining table. The military solution avoids the need for compromise. Although the administration claims that its strong military posture promotes diplomacy, that claim rings hollow. In fact, the overwhelming military advantage enjoyed by Washington, and the use of that advantage to intimidate (massing warships off Nicaragua's shore, cracking sonic booms with illegal overflights) suggest the kind of "diplomacy" that leaves opponents only the option of capitulation. Certainly the Nicaraguans cannot negotiate away their very identity as Marxist reformers, which is what Washington seems to want.

FIGHTING BY PROXY

To get one's way without compromise and without paying the cost that force usually entails means finding someone else to fight. In El Salvador—a nation the size of New Jersey, half of whose five million people are peasants—the United States has spent nearly half a bil-

lion dollars on the military, training four of its battalions, providing the technological edge (helicopter gunships), and setting military strategy. While the tide of battle shifts with the seasons and the offensives, who would say that the guerrillas are fewer in number, or control less terrain and population, today than before Washington's massive military transfusion began?

In Nicaragua, military solution by proxy fares worse. There one finds a similar pattern, with the CIA filling in for the Defense Department. Contra soldiers have been organized, trained, supplied and directed by United States personnel. As with the Salvadoran military, their numbers have ballooned but their capacity to achieve even modest victories has not been strengthened. Despite widespread criticism within Nicaragua of the Sandinista leadership, the contra support has not broadened beyond a small upper class and some Indian groups.

One problem with the cheap military solution is that client militaries in Central America have ingrained patterns of abusing their people. No serious student of El Salvador accepts the administration's contention that the Salvadoran death squads are independent of the military¹¹ or that a month's training at Fort Benning can cancel a decades-old pattern of relying on brutality to silence protest. Most of those commanding the Nicaraguan contras in the field (in contrast to their political leaders who speak to the press) are ex-Somocista National Guardsmen with a similar tradition of abusing their citizens.

To compensate for their individual weaknesses and to gain for the military solution the mantle of "inter-American" legitimacy, the Reagan administration has tried to revive CONDECA, the Central American Defense Council, excluding Nicaragua, one of its three original members. A Defense Department suggestion would have the rightist governments of Central America and Washington recognize the contras who have established a toehold on Nicaraguan soil as Nicaragua's government. This government could then appeal to CONDECA for action against the Sandinistas. General Paul Gorman, the head of the Defense Department's Southern Command, has crisscrossed Central America, calling meetings and pressuring officials in pursuit of this objective. According to the *Washington Post*, Gorman has become a "virtual consul in the area, frequently overshadowing senior diplomats and at times overruling them."¹²

In Washington, similar solutions have allegedly been promoted by Fred Iklé, the Swiss-born strategist on United States-Soviet affairs who, as Undersecretary of Defense for Policy, runs the "little State Department" in the Department of Defense. In promoting a hard line Iklé

is joined by Nestor Sanchez, Deputy Assistant Secretary of Defense for Inter-American Affairs, and by Constantine Menges, the National Security Council's senior adviser on Latin America. Sanchez and Menges have close ties to the CIA's upper echelons through prior employment there. All three have a close ally in CIA Director William Casey and, at the State Department, in J. William Middendorf 2d, the United States representative to the Organization of American States.

As the President turns his attention to negotiations with the Soviet Union with an eye to an entry in the history books, he must placate right-wing supporters who see agreement with the Kremlin as unsound, immoral or both. It is possible that some administration officials would allow hard-line right-wingers to determine Central American policy if the right-wingers allow the White House to bargain with the Soviet Union. In early 1985, those who advocate a military solution in Central America—for that is what refusing to accept the Sandinista government's existence means—occupy key roles. On this issue, the "ideologues" have not given way to the "pragmatists."

Attempts to revive CONDECA have run afoul of historic rivalries within the region and a growing reluctance, on the part of Hondurans and Guatemalans, to do Washington's bidding. The fig leaf of an inter-American action, which covered the United States invasion of Santo Domingo two decades ago, requires the approval of two-thirds of the members of the Organization of American States (OAS). Inasmuch as the majority of OAS members, including the influential four (Brazil, Mexico, Argentina and Venezuela), oppose a military solution in Central America, it is unlikely that Washington can muster the votes.

Civilian hard-liners may dream of "Central Americanizing" the conflict and United States officers in the field may try to make that happen. Gorman is described by associates as "not the sort to sit back and let events take their course."¹³ Nonetheless, one senses the caution of the Joint Chiefs of Staff behind Secretary of Defense Caspar Weinberger's assurance that United States military forces will not "creep—or be drawn gradually—into a combat role in Central America."

The Joint Chiefs are not represented, however, at the National Security Planning Group meetings the President instituted so that decisions on covert actions could be made by a few trusted principals without leaks and without undue staff influence. A *New York Times* description of these meetings merits quoting at length:

As a general rule, officials said those at the meetings were given no advance notification that proposed covert opera-

(Continued on page 137)

¹¹On this see Allan Nairn, "Behind the Death Squads," *The Progressive*, vol. 48, no. 5 (May, 1984).

¹²"A General Outflanks the Diplomats," *Washington Post National Weekly Edition*, January 16, 1984.

¹³"Tough U.S. General on Duty in Latin Lands," *The New York Times*, May 19, 1984.

Eldon Kenworthy has written widely on United States policy toward Latin America. His most recent articles have appeared in *World Policy Journal*. Part of this article appeared in *The New York Times* on January 17, 1985.

"In El Salvador, the world has seen a local civil war transformed before its eyes into an event of international proportions. Unless Salvadorans can unite behind a major drive for national reintegration, their country may well go down in history as one of the first free-fire zones in a world beyond the nation state."

El Salvador: Legitimizing the Government

BY JOSÉ Z. GARCÍA

Associate Professor of Government, New Mexico State University

AFTER more than four years of civil war, on October 15, 1984, Salvadoran government officials met formally with rebel leaders in the town of La Palma, El Salvador. Thousands of war-weary Salvadoran workers and peasants in the town square waved white flags and cheered the periodic announcements made by both sides. Guillermo Ungo and Rubén Zamora represented the political arm of the rebel forces, the Frente Democrático Revolucionario (FDR); Ferman Cienfuegos represented the rebel military command, the Unified Revolutionary Directorate (DRU). On the government side, President José Napoleón Duarte represented the constitutionally elected government of El Salvador, while General Eugenio Vides Casanova was on hand at the President's request on behalf of the armed forces of El Salvador.

The moment was brimming with irony. Ungo and Zamora were old friends of Duarte's; Ungo had been Duarte's vice presidential running mate in the ill-fated elections of 1972, when Duarte's bid for the presidency was thwarted by what almost all observers agree were fraudulent results making Colonel Arturo Molina President. Zamora had been one of the most talented young members of Duarte's Christian Democratic party, but he joined the opposition in 1980. Now the friends were separated by two clashing armies (over which they hold only partial but growing control) and four years of civil war. After several hours of discussions the leaders announced jointly that they would meet again for further talks in November.

In spite of the high hopes and expectations raised by the La Palma meeting, the immediate aftermath was disappointing. A resumption of escalated military operations by both sides within hours after the conclusion of the talks gave rise to charges and countercharges of insincerity in the desire for peace. Lower-level discussions held a few weeks later yielded little of substance except for a short Christmas and New Year's truce. Rebels will not participate in the March, 1985, legislative elections. But in fact there is reason to believe that the advent of negotiations signals a tacit recognition by the rebels that the

complex stalemate that has deadlocked both sides for four years of constant, unwinnable armed hostility shows signs of breaking up, to the long-term benefit of the Duarte government's survival.

CAUSES FOR THE DEADLOCK

The behavior of the extreme Right in El Salvador, which supports the government only to a limited degree, has made it impossible for the centrist governments that have ruled since 1980 to destroy the foundation of domestic and international support for the guerrilla rebels. El Salvador's economy is still concentrated in the hands of a few dozen powerful families, long accustomed to unchallenged political power. Many of these families, along with well-organized sectors in the middle classes, form the bulk of the nation's extreme right-wing, which has been able to control much of the agenda and many key votes in the three-year-old legislative assembly. The extreme right-wing has used this power to delay and obstruct the kind of reforms—like agrarian reform, labor legislation, and measures to increase government control of the antiquated laissez-faire economy—moderate leaders would like to promote in their efforts to create a viable center capable of governing with truly popular consent.¹

Right-wing obstructionism is not confined to legislative tactics. Death squads have been used for years to execute suspected leftists and to intimidate the creation of any kind of genuine labor movement. In fact, the use of death squads is partially responsible for the current legislative strength of the Right, since many moderate political leaders, including Ungo and Zamora—who might otherwise compete successfully against the Right for seats in the legislature—joined the guerrillas in 1980 when it became obvious that the government was incapable of controlling right-wing violence. Zamora's own brother, the public defender of El Salvador, was assassinated early in 1980 shortly after right-wing Major Roberto D'Aubuisson accused him in public of complicity with the guerrillas.

The centrist government's inability to enlist the cooperation of the Right has had profound consequences on the course of civil war. In the first place, the inevitable association of the government with the extreme Right—which backs the government in its struggle against the guerrillas, but not in most areas of policymaking—has

¹See Enrique Baloyra, "Political Change in El Salvador," *Current History*, February, 1984, for an extended discussion of right-wing obstructionism.

made it difficult for the government to legitimize itself thoroughly at home and abroad. The guerrillas have been able to capitalize on widespread reports of right-wing terrorism to recruit new members at home and to obtain financial and technical assistance abroad from predictable sources like Nicaragua, Cuba, and other socialist nations. They have also received surprising political support from church and human rights organizations in the United States, Europe and Latin America and from large segments of the international press.

Second, since wealthy right-wing entrepreneurs have been reluctant to invest their wealth in El Salvador to benefit a government trying to reduce their power, the nation's economy has suffered from massive amounts of capital flight. This, plus the damage the guerrillas have been able to wreak on the economy have limited the domestic funds available to improve the armed forces. Government revenues have fallen drastically, because of a real decline in gross domestic product of 25 percent during the past four years. Only foreign military assistance has prevented a military victory by the leftist guerrillas.

Although the United States government has backed the government with military and economic aid since 1979, American policymakers have consistently insisted that the government take the steps necessary to reduce the violence and power of the extreme Right and to fortify the creation of a viable center. The government's inability to accomplish these goals has made the United States Congress reluctant to escalate the war. On the contrary, Congress—apparently with the tacit approval of the administration of President Ronald Reagan—has given the government of El Salvador just enough aid to keep the guerrillas from winning. Seeking a long-term centrist solution in El Salvador has in the short run meant that the civil war will remain unwinnable by either side.

AN IMPASSE

One might think that the armed forces would apply strong pressure against the Right in hopes of breaking the logjam of military aid. Unfortunately for the government (and the Reagan administration), elements in the armed forces have cooperated for many years with the extreme Right in repressive measures, and the informal links between the two groups proved more difficult to break than either Salvadoran government leaders or United States policymakers had anticipated. Thus, the political weaknesses facing the government have led to military weaknesses that have made victory over the guerrillas problematic. In effect, the government has been sandwiched between the extreme Right, which obstructs the political, military and economic reforms needed to undermine the opposition, and the extreme Left, which is openly challenging the continued existence of the regime. The impasse has existed since 1980.

By the fall of 1983, the stalemate in El Salvador was

underscored when a new wave of violence from the extreme Right was directed against labor leaders, clergy, and intellectuals just before a Constituent Assembly discussion of agrarian reform. Murders from death squads in August totaled 116, according to the Human Rights Office of the Archbishop of San Salvador. In the Constituent Assembly, conservatives threatened to vote against a measure to incorporate an agrarian reform plank in the new constitution.

On the military front, the guerrillas ended a four-month lull in the war in September, 1983, with a strong offensive in which they were able to recapture effective control of up to one-third of the country. In late 1983 and early 1984, the guerrillas were able to mount spectacular assaults; they destroyed the most important bridge in the country and killed over 100 soldiers in an attack on the Fourth Infantry Brigade headquarters at El Paraíso in northern El Salvador. Although these actions did not threaten the existence of the government, they pointed out the underlying weaknesses of the regime.

BREAKING THE IMPASSE

Both Washington and the Salvadoran government vigorously responded to these developments on the part of the Right and the guerrillas. United States congressional leaders of both parties and high-level administrative officials demanded an immediate good-faith effort on the part of the Salvadoran armed forces to control the activities of death squads. United States Vice President George Bush was sent to San Salvador on December 11 essentially to make a deal with the armed forces. He requested several things: the arrest, exile or retirement of military officers suspected of complicity in death squad activity; the trial of soldiers implicated in the 1980 murder of United States churchwomen by National Guardsmen and resolution of the murder of two other United States citizens; and a repudiation of death squad activity at the highest level of the Salvadoran military high command. In return, the Reagan administration offered a substantial increase in military assistance to the Salvadoran armed forces in quantities sufficient to reduce the guerrilla insurgency to manageable proportions. A deadline of January 10—six days before the date the administration had agreed to provide evidence to Congress certifying that El Salvador was making progress on human rights—was set.²

By January 6, the armed forces had accepted. The military high command signed a public statement condemning the death squads. Suspected death squad leaders (many of whose names had appeared on a list provided by Vice President Bush) were removed from their positions; an army captain was arrested for the 1980 murder of two United States labor leaders. More important, death squad activity began a sharp decline. During all of 1983, death squad murders averaged 140 per month. In December, 1983, there were 25 reported murders; in January, 1984, 22; in February, 58; March,

²Alfonso Chardy, *Miami Herald*, January 6, 1984.

46; April, 34; May, 14; and in June, 11.³ Expanded military assistance from the United States was forthcoming: nearly \$200 million was approved by Congress for fiscal year 1984, double the amount given in the two-year period, 1981–1982.

On the military front, senior officers in the Salvadoran armed forces and United States Defense Department officials began to cooperate more closely in their planning and operations. The force structure of the army increased from around 20,000 in 1983 to nearly 30,000 in early 1985. General staff headquarters were reorganized at the end of 1983, streamlining operations in war zones. Lieutenant Colonel Domingo Monterrosa, widely hailed as the best field commander in the army, was placed in charge of the Third Infantry Brigade in San Miguel, with expanded authority to launch assaults in areas of conflict.

Monterrosa was given the freedom to shape his forces to reflect his own unorthodox but effective style. He raised the basic fighting unit from 11 to 16-man patrols; the size of companies was expanded from 80 to 100 men, and battalion size was enlarged from 350 to 600 men. The addition of 10 more helicopters enabled entire battalions to be moved to conflict sites immediately. Finally, United States aircraft (OVI Mohawk and C-130 Hercules) from Palmerola, Honduras, began providing improved intelligence on guerrilla movements, enabling Salvadoran aircraft to bomb guerrilla positions. While this has increased the civilian casualties (guerrillas often move in units with civilians), it has greatly reduced the guerrillas' ability to move units of 400–500 troops against large objectives. Guerrilla leaders have admitted that these measures have restricted their mobility.⁴

On the political front, the Reagan administration has taken steps to reduce the electoral power of the right-wing. The rightist candidate for the 1984 presidential elections, Assembly President Roberto D'Aubuisson of the National Republican Alliance (ARENA), was accused by many critics of complicity in widespread death squad activity, including the assassination of Archbishop Oscar Romero in 1980. He was subsequently refused a travel visa to the United States, a strong and public signal of official disapproval. *The New York Times* reported that the Central Intelligence Agency (CIA) spent \$1.4 million

to assist the electoral fortunes of the Party of National Conciliation (PCN) and the Christian Democratic party (PDC).⁵ Other reports indicated that most organizers of the Salvadoran Communal Union (UCS) were campaigning door to door for Duarte; 75 percent of that organization's operational costs were paid by United States assistance. Finally, newspaper reports also charged that the Konrad Adenauer Foundation (a Christian Democratic organization in West Germany) had received funds from the CIA to help fund a Venezuelan public relations firm working on Duarte's campaign.⁶ Whether these reports were true or not, by early 1984 signals from Washington strongly indicated that an election victory by Roberto D'Aubuisson would jeopardize United States assistance, if not from the Reagan administration, certainly from Congress.

THE DUARTE GOVERNMENT IN POWER

If these measures were necessary to break the impasse that had developed in the regime (and tough follow-through may be necessary to prevent a backslide), they were not sufficient. Ultimately, the success of the regime depends on whether Duarte, who was elected in runoff elections on May 6, is able to form a strong centrist and relatively independent government that can restore confidence at home and abroad. The first real verdict will not be delivered until the March, 1985, parliamentary elections. If Duarte cannot satisfy the conflicting demands of right-wing and centrist businessmen, the officer corps, labor unions (which have suffered serious wage losses during the past few years), hundreds of thousands of organized rural peasants, and the government bureaucracy, there is a chance that the electorate might vote for the Right in these elections, causing another crippling parliamentary impasse.

In his first few months in office, Duarte appeared to be trying to mollify the fears of businessmen, who fear that the administration will slide toward socialism. Duarte needs the business community's support in his efforts to stimulate economic growth. Even if he can allay these fears, however, a healthy investment climate will require military success in containing guerrilla actions against the economy. Duarte has tried to win the confidence of army field commanders (who enjoy increased prestige and power within the armed forces) and establish himself as commander in chief by exiling officers suspected of human rights violations. He gained the respect of some officers by obtaining \$70 million in military aid from the United States Congress on a trip to Washington in June.

Duarte has spoken tirelessly with labor unions, church leaders and peasants in an effort to reassure all sectors of his efforts to alleviate the massive problems of unemployment and economic devastation, and to soften the bitterness and rancor of four years of civil war. In his first six months in office, he was apparently accepted by the vast majority of citizens as the legitimate ruler of his country.⁷ But the destiny of El Salvador depends only to a certain

³Chris Hedges, *Christian Science Monitor*, August 10, 1984, using data provided by Tutela Legal, the human rights office of the Roman Catholic Church of San Salvador. Human rights violations are monitored by at least four organizations, including the United States embassy in San Salvador, the Salvadoran Human Rights Commission, Tutela Legal, and the Socorro Jurídico Cristiano. For a brief analysis of the data collection methods of these groups, see Chris Hedges, *Christian Science Monitor*, January 25, 1984.

⁴Chris Hedges, *Christian Science Monitor*, August 28, 1984, quotes guerrilla leaders to this effect.

⁵Philip Taubman, *The New York Times*, May 12, 1984.

⁶Robert J. McCartney, *Washington Post*, May 4, 1984, discusses the UCS and Konrad Adenauer charges.

⁷See Lydia Chavez, "The Testing of José Napoleón Duarte," *The New York Times Magazine*, September 2, 1984.

extent on the legitimacy of the government and the vagaries of domestic politics. In a civil war funded to a large extent from abroad, the international climate is just as important.

THE INTERNATIONAL ENVIRONMENT

If there is a single cause for the rebel decision to move toward a negotiated settlement, it lies in the changing international context affecting both the government and the rebels. Just as the government has depended on United States assistance, the rebels have relied on political, financial and military support from abroad—and on the withholding of support to the government. In both respects, the rebels appear to have lost ground. Duarte succeeded in increasing military and economic assistance not only from the United States but, in some ways more important from the standpoint of the rebels, from several other countries as well.

In July, West Germany agreed to release to El Salvador \$18 million it had pledged several years ago but had subsequently suspended because of pressures from rebel sympathizers. Mexico restored full diplomatic representation to San Salvador after four years of relative neutrality. The European Economic Community (EEC) pledged renewed assistance at the meeting of European and Central American Foreign Ministers in Costa Rica in September, 1984. In August, Britain resumed assistance after a five-year break. United Nations agencies will probably increase their assistance as well. Thus, the international ostracism of the Salvadoran government appears to have ended, because of perceptions that Duarte is the head of a legitimate government likely to survive after two rounds of elections and improvements in ameliorating human rights abuse.

On the other hand, there are indications that the climate of support for the guerrillas is cooling. Guillermo Ungo, for example, complained in June that the Mexican Foreign Office had "scolded" him for making political statements in Mexico City, although he had done so many times before.⁸ The Socialist International (SI), a global network of social democratic parties that has supported and legitimized the rebels, is deeply divided over the question of their stance toward both Nicaragua and Duarte, in the aftermath of elections in both countries and the widespread feeling that El Salvador's elections were

more representative. Even more ominous, should a rapprochement materialize between the United States and Nicaragua, it would jeopardize a continuation of the vital logistical support given to the rebels in El Salvador. The Reagan administration, after all, justified its initial support of the anti-Sandinista (contra) movement in Nicaragua as a tactical move against the supply of weapons from Nicaragua to the Salvadoran rebels.⁹ A change in policy by the Nicaraguan government might leave the Salvadoran rebels vulnerable indeed.

Guerrilla response to Duarte's increasingly favorable position thus far has been coherent and in the direction of a negotiated settlement. The guerrillas were quick to respond positively to Duarte's call for talks, with a unity unthinkable two years earlier. Ever since the death of FPL (Fuerzas Populares de Liberación) commander Cayetano Carpio nearly two years ago, the major guerrilla groups have accepted the possibility of negotiations. But they have also demonstrated a firm resolve to negotiate from political as well as military strength.

Almost immediately after La Palma, the guerrillas demonstrated once again that their military capabilities are formidable in spite of stepped-up assistance from the United States to the Duarte government. The offensive they launched in October and November involved all guerrilla groups in the major zones of conflict—Guazapa, San Vicente, the Pan American Highway, Morazán, Usulután, and San Miguel; they were able to kill an entire company of soldiers near San Vicente; they attacked harvests of coffee, sugarcane, cotton and other crops in various parts of the country; and they overran an army garrison in Suchitoto.¹⁰

Moreover, the guerrillas seemed to be focusing increased attention on winning political support from targeted labor groups. Among the demands they have issued for a negotiated settlement is an increase in pay for rural workers. In areas they control they have been trying harder to force growers to comply with their demands to pay higher wages to farm workers. Radio Venceremos, the guerrilla radio, has begun to broadcast the names of growers who do not comply with these wage demands. Moreover, rebels demonstrated solidarity with a pro-government labor union of transportation workers by enforcing the suspension of traffic along the Pan American Highway for several days. (This resulted in a death squad assassination of one of the labor union leaders.) These efforts indicate closer coordination between the political (FDR) and the military (DRU) wings of the rebel forces and a stronger political strategy aimed at long-term competition for labor union support.¹¹

If negotiations fail, guerrilla strategy will almost surely

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José Z. García has traveled to El Salvador seven times during the past five years, conducting research for a forthcoming book on Salvadoran politics and the armed forces to be published by Hoover Institution Press.

⁸Juan Vasquez, *Los Angeles Times*, June 10, 1984.

⁹For evidence on assistance to the Salvadoran rebels from Nicaragua, see "Background Paper: Nicaragua's Military Build-up and Support for Central American Subversion," released by the United States Department of State and the Department of Defense, July 18, 1984, and "News Briefing on Intelligence Information on External Support of the Guerrillas in El Salvador," released by the United States Department of State and Department of Defense, Wednesday, August 8, 1984.

¹⁰Foreign Broadcast Information Service, FBIS-LAM-84, vol. 6, numbers 205-228 (October and November, 1984).

¹¹Transcripts of Radio Venceremos broadcasts, November, December, 1984, provided by Nelson P. Valdés, University of New Mexico, Albuquerque, New Mexico.

"Given the intractability of Nicaragua's economic problems, the strength of the counterrevolution, and the threat of United States intervention, it is not surprising that a recent slogan painted on a wall of the Central American University in Managua proclaimed: 'Yesterday Somoza, Today Sandino, Tomorrow Who Knows.'"

Nicaragua under Siege

BY FORREST D. COLBURN

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IN the five years since President Anastasio Somoza Debayle took his last flight from Managua to Miami, the reigning Sandinista National Liberation Front (FSLN) has adroitly consolidated political power without the use of openly authoritarian tactics. The elections held on November 4, 1984, with great fanfare were only the pro forma institutionalization of an organizational drive that has extended the authority of the FSLN to even the smallest villages of rural Nicaragua. Special care has been given to train an army that "knows whose interests it is protecting and who the enemies of those interests are."¹ Political strength and a consensus within the revolutionary leadership have enabled the new regime to begin a bold transformation of Nicaragua. The stated objective is to lift the country out of its backwardness and poverty.

Because of its initiative, the disarming concessions it offered, the absence of a well-organized alternative source of power, and its nature as the military vanguard of the revolution, the FSLN dictated the institutional structure of the new government and defined its authority and composition. The key to the FSLN's continued success has been its consistent practice of retaining final authority. The junta, the quasi-legislative Council of State, and the government ministries have always been subservient to the nine FSLN commanders who comprise the National Directorate. Concessions were made initially to other political actors, but they were all of the type that could be rescinded.

The appointment of moderates and conservatives to important government positions is not very consequential when they can be dismissed and replaced at any time. Final authority has enabled the FSLN to increase its authority incrementally, especially in the ministries that conduct most of the day-to-day affairs of the government. These incremental political changes have not been partic-

ularly significant individually, but in the aggregate they have had considerable impact.²

The FSLN has tried to provide a support base for its consolidation of power at the highest levels of government. Parallel organizations have been established to weaken existing organizations (ranging from newspapers to trade unions) that are not necessarily tied to the FSLN. The most difficult and controversial attempt at undermining an established institution has been the formation of a "popular church" to offset the strength of the Catholic Church. Equally important, the FSLN has created new institutions among the urban and rural poor. These new organizations are commonly called "mass organizations," and include everything from peasant organizations to block committees (CDS's) modeled after Cuba's Committees for the Defense of the Revolution (CDR's).

The FSLN-sponsored organizations have been developed and strengthened through ongoing efforts at political suasion and by channeling government services and goods through the organizations. For example, continued government employment is dependent on participation in government political organizations. Ration cards are obtained from the neighborhood block committees. Peasants receiving credit from the government-controlled banks are expected to affiliate with government organizations. While outright coercion to affiliate with government organizations has been rare, there are economic costs for not participating. However, in the absence of coercion, the ability of the government to maintain a relative degree of mobilization depends on its continued ability to channel goods and services to its supporters.

State-sponsored organizations are strongest in urban areas for a number of reasons. First, there is what the Mexican intellectual, Octavio Paz, has called the organic link between power and cities. Labor unions, the church, economic associations, the media, and the government itself are all centered in urban areas. Second, active support for the revolution has always been strongest in the cities (where the decisive battles were fought). Third, apart from the counterrevolution, organized opposition is most visible and strongest in urban areas, encouraging the FSLN to concentrate its efforts in the principal cities. In contrast, rural organizations are fewer and less important politically.

¹Roberto Sánchez of the Dirección de Divulgación y Prensa del Ejército Popular Sandinista, quoted in Stephen M. Gorman, "Power and Consolidation in the Nicaraguan Revolution," *Journal of Latin American Studies*, no. 13 (May, 1981), p. 144. See also issues of *Patria Libre*, the publication of the Sandinista armed forces.

²For a fascinating justification for the FSLN's consolidation of power see Depto. de Ciencias Sociales UNAN et al., *Apuntes Sobre La Problemática Actual* (Managua: UNAN, 1982).

The FSLN formalized its consolidation of power by winning the elections held November 4. The validity of the elections has been debated within Nicaragua and abroad, reflecting the larger controversy over the leadership of the FSLN. Assessments range from hagiology to character assassination. The central criticism of the elections was the lack of participation by the most prominent opposition group, Arturo Cruz's Coordinadora coalition. Another presidential candidate, Virgilio Goday, attempted to take his Independent Liberal party out of the election two weeks before election day, but the ballots had already been printed and distributed. Both candidates asserted that the conditions for meaningful elections did not exist.

International observers concluded that the actual voting was orderly and free from fraud. Many Nicaraguans were pressured to vote by local CDS's and other Sandinista organizations, but the actual casting of ballots was done in secrecy. The stated results of the election were a 91 percent voter turnout, with the FSLN receiving 67 percent of the vote. Three opposition parties to the right of the FSLN received 29 percent of the vote, while the three parties to the left of the FSLN captured less than 4 percent of the vote. The opposition parties together were awarded one-third of the seats in the new legislature. Six percent of the total votes cast were judged to be invalid. These included completely blank ballots and ballots improperly marked or defaced.

While the elections received a great deal of publicity and stimulated considerable debate, they were relatively unimportant. First, power will continue to be exercised not by the elected President, Daniel Ortega, but by the entire FSLN National Directorate (of which Daniel Ortega is a member). The National Directorate has managed to retain a remarkable degree of cohesion. Daniel's brother Humberto is held to be the most influential of the nine commanders, but they all have been steadfast in their commitment to rule by consensus and to keep their differences and ultimate intentions to themselves. Second, the elections did not alter the important configuration of international support or hostility for the regime. Allies were undeterred by criticism of the elections, and adversaries were not swayed by praise of the elections.

AN ECONOMIC CRISIS

The Nicaraguan economy is palsied. The FSLN's policies may be sound, but they have produced several economic problems that have threatened the welfare of all Nicaraguans. Nicaragua has fallen victim to the common dilemmas in the immediate, postrevolutionary periods of small third world countries. One set of policies leads to dislocations in productive sectors, resulting in reduced national output. Often this decrease in production is concentrated in the more remunerative export sector, because it tends to have been monopolized by elites—precisely because it was more remunerative. Valued pro-

duction falls because of state expropriation, which gives an inexperienced bureaucracy an unmanageable responsibility (at least initially) and, equally important, expropriation depresses the private sector, which fears continued expropriations.

A complementary set of policies designed to aid impoverished sectors absorbs resources without a corresponding rise in output—at least in the short run—because the resources are used principally for consumption and not investment. Together the two sets of policies produce an economic crisis. In short, “supply” decreases and “demand” increases. Given the dependence of small developing countries on international trade, the focus of the crisis is usually the balance of payments and the availability of foreign exchange. Drawing down reserves and foreign assistance and borrowing can help cover the resulting imbalance, but ultimately these measures are likely to prove insufficient.

By all accounts, Nicaragua's key economic problem is its shortage of foreign exchange. Nicaragua is not industrialized and depends heavily on imports, so the lack of hard currency means that many products are scarce or unavailable. For the fourth consecutive year, the country is suffering a major trade deficit. The government projected export revenue to be \$461 million in 1984. As a bare minimum, however, the government estimates that it needs to import \$700 million in raw materials and spare parts annually to keep the economy functioning.

In addition to paying for needed imports, Nicaragua must make regular payments on a quickly growing foreign debt. The FSLN inherited a debt of \$1.6 billion when it took power in 1979, and much of that money was misused by the Somoza regime. The inability of the FSLN to keep the balance of payments within reasonable bounds has led to a debt of roughly \$3.5 billion, with a corresponding rise in the annual cost of servicing the debt. Nicaragua's annual projected debt payments are now equivalent to annual export earnings. The regime has begun to fall behind in its payments, including payments to the World Bank, but the FSLN maintains that it will honor its financial commitments.

Prospects for help from abroad do not appear bright. West Germany all but ended direct aid to Nicaragua in 1984, and the Netherlands is reportedly in the process of doing so. The governments of both countries are increasingly critical of the FSLN. Sweden and Spain are the only West European countries with substantial aid programs in Nicaragua. An increasing number of aid projects are sponsored by Soviet-bloc countries, but they do not provide hard currency.

The country's deepening economic distress, which appears to be more acute than at any time since the 1979 revolution, is felt by all Nicaraguans. Consumers complain loudly about chronic shortages, especially of imported goods or products made from imported materials. Domestically produced goods that are available, including many fruits and vegetables, are often prohibitively

expensive to lower class consumers. Spare parts of all sorts are difficult to find; thus buses, trucks, tractors and even factories are incapacitated. Roads are not well maintained, telephone service is deteriorating, and medicine is in short supply.

The government spends 10 percent of its budget subsidizing the shelf prices of 13 basic goods, including sugar, meat, milk and cooking oil. However, despite the subsidies and stiff price and wage controls, real per capita income for all classes has declined since the revolution. Estimates of inflation range from 25 to 35 percent. Unemployment is estimated at 20 percent. Economic problems have caused a great deal of cynicism about the FSLN, even with groups otherwise supportive of the revolution. Nicaraguan peasants, with characteristic wit, sometimes dismiss the revolution with such expressions as, "The same garbage, only the flies are different."

Still, the FSLN is confident that with increased experience and an ultimate end to United States aggression it can succeed in its bid to improve the welfare of Nicaraguans. Despite the need to direct resources to defense, the FSLN has continued many investments, ranging from hydrothermal energy projects to the construction of schools and hospitals to the building of what is planned as the largest sugar refinery in Central America. Most economic investments are in the agricultural sector. The government is anxious to increase the production of both agro-exports and of foodstuffs, especially maize. Concomitantly, the government has steadily moved to increase its role in the distribution of goods and services.³

THE PRIVATE SECTOR

Still, between 60 and 70 percent of Nicaragua's economic production remains in private hands. The private sector is fearful of nationalization and resentful of the wide range of government policies that regulate private activities. Most of these policies entail intervention in the major markets for the products affecting producers—the markets for the products they consume and sell, and for land, labor and capital. To maintain production in the private sector, the FSLN has had to offer concessions to those with economic strength and not the reverse, despite the revolutionary rhetoric.

The state has made sufficient concessions to large producers of agro-exports like the Pellas family, which single-handedly produces half of Nicaragua's sugar, and to the farmers who grow cotton, the linchpin of the economy. Generous credit has been made available; the state has held down wage increases for labor and has even used its organizations to help producers find labor during the harvest season; and, most important, the state has provided special price concessions. The rhetoric of the government suggests that despite these concessions large producers do not have a future in Nicaragua, but the

concessions lead many producers to conclude that "there is money to be made in every tragedy," and for the most part they maintain existing production.

The state's need for revenue, especially foreign exchange, has prompted it to expropriate nearly all the wealth generated by private production when any specific sector or class does not have the bargaining chip of withdrawing from production. Nicaragua's small coffee producers demonstrate that this is true even if the class status of the sector in question suggests it should benefit from the revolution. There are an estimated 27,000 coffee producers, and 85 percent of them are small, marginal producers with yields only a fifth or sixth of those of most large producers. Unlike cotton, coffee is a fixed investment; once plants begin to bear they do so for years. Though one of the rationales for the establishment of state monopsonies was to aid small producers, small coffee producers report a marked deterioration in their real income. The value of the national currency has fallen precipitously, yet producers are paid for their crops on the basis of a highly overrated exchange rate minus taxes. Since small coffee producers have a fixed investment and lack the resources to withdraw from production, they can only hope for a better future.

The FSLN's agrarian reform program has continued to distribute land to peasants. Nearly 20 percent of Nicaragua's cultivated land has been redistributed. For many peasants, access to land is a long-coveted goal, especially in the northwestern departments where competition for land has always been intense. Unfortunately, for the most part the government has not been able to provide the technological assistance to small producers that would enable them to raise yields. Raising yields would not only contribute to national production, but would also help raise depressed incomes. There are many difficulties, including the sheer number of small peasant producers and their concentration in isolated regions, the emigration of many agricultural technicians and, perhaps most important, the competing need of state farms for agricultural technicians and resources.

Government policies directed at peasants have apparently facilitated access to land for peasants rather than improving the net income from agriculture. On the other hand, diverse changes have influenced the costs and returns for the principal crops of peasants—basic grains. The scarcity of foreign exchange, stemming in large measure from the decreased production of the "bourgeoisie," has driven up the prices of many goods, particularly imported goods. The government has sought to compensate by controlling the prices of many domestically produced commodities—especially food. Of course, since food is grown by peasants, low food prices mean low peasant income. Thus, the advantages to peasants of greater availability of land, made possible by the seizure of large estates, are offset by the low prices paid to peasants in order to protect consumers suffering from shortages because of reduced agricultural exports.

³See Ministerio de Desarrollo Agropecuario y Reforma Agraria (MIDINRA), *Sector Agropecuario: Resultados 1983: Plan de Trabajo 1984* (Managua: MIDINRA, 1984).

Ironically, the sector that has been asked to make perhaps the greatest sacrifices for the consolidation of the revolution has been the poorest, the landless and nearly landless agricultural workers. The FSLN labored for years to convince the peasants that they were being exploited and that a better future awaited them on the triumph of the revolution. Yet after it seized power, the FSLN switched its propaganda from stressing the unnecessary poverty of most Nicaraguans to emphasizing the politics of austerity and production.

This change in orientation involved a shift: from promoting labor militancy to stressing labor discipline. More important to laborers, the political line of the government has resulted in limitations on salaries. Only in the first year of the revolution were salaries for agricultural workers raised above inflation levels.⁴ Declining real incomes have led to tension, exemplified by the embarrassing strike in 1984 at the country's largest sugar refinery, San Antonio.

THE COUNTERREVOLUTION

Resolving Nicaragua's grave economic problems has been stymied by the counterrevolution. From the onset, the Sandinista regime has been confronted by armed resistance, at first isolated and poorly organized. United States assistance for the remnants of Somoza's National Guard, which fled to Honduras, and the concurrent cooperation of Honduras have resulted in a well-organized and financed counterrevolution. Serious fighting began in December, 1982, and has continued unabated.

The Sandinistas dubbed their foes *contrarevolucionarios* (counterrevolutionaries) and the term, shortened to "contras," has become the name for all the anti-Sandinista guerrillas. They include not only the 10,000 members of the Honduras-based Nicaraguan Democratic Force (FDN) initially organized and funded by the CIA, but a couple of thousand guerrillas in Costa Rica as well, most of whom have been fighting under the banner of the Democratic Revolutionary Alliance, known by the Spanish acronym ARDE, and led by the former Sandinista, Eden Pastora.

The Miskito Indians that inhabit the sparsely populated Atlantic coast are also fighting the FSLN. Almost from the start of Nicaragua's revolution, the Miskito Indians have resented the FSLN's efforts to change their traditional way of life. The FSLN has admitted it was initially heavy-handed with the Miskitos. The forced resettling of Miskito Indians in camps away from battle-torn areas has only aggravated the Miskitos' animosity toward the FSLN, despite the provision of building mate-

rials, social services, and food at the camps. The Miskito Indians started fighting with hunting rifles, but they are now heavily armed and pose a threat to government troops stationed on the Atlantic coast.⁵

The counterrevolution suffered a number of setbacks in 1984, but has managed to continue its assault on the FSLN. First, the United States Congress refused to approve President Ronald Reagan's supplemental \$21-million aid request for the rebels, effectively cutting them off from their most important source of funding—the CIA. (However, the rebels managed to raise between \$15 million and \$20 million in cash, military equipment, and medical supplies from individuals, groups and other governments, like Israel, Argentina, Taiwan and Honduras.) Second, Pastora was badly wounded by a bomb at a newspaper conference in May, 1984. Pastora has returned to the northern bank of the San Juan River, which forms a wide, muddy boundary between Costa Rica and Nicaragua. Third, the Miskito faction has been torn by rivalry between its two principal leaders, Steadman Fagoth and Brooklyn Rivera. Still, Miskito guerrilla columns continue to make the east coast the most inhospitable part of Nicaragua for the FSLN.

The contras have established solid footholds along the mountains of northern Nicaragua, mauled FSLN army patrols, and lured thousands of recruits to their cause. Many recent recruits are FSLN deserters or poor peasants. FDN guerrillas have operated as far south as Boaco, only 60 miles northeast of Managua, although their most permanent strongholds are in the northern provinces of Jinotega, Nueva Segovia, Madriz and Chinandega, all along the Honduran border. Along the eastern end of the border with Honduras, guerrillas from the Misurasata alliance of Miskito, Sumo and Rama Indians control a barren and thinly populated strip of savannahs and swamps and strike at government forces along the Atlantic coast.

ARDE controls some territory along the San Juan River. However, the guerrillas have yet to carry their fight into the strategic lowlands or the cities. Now, the struggle is for the support of the rural poor on what is referred to in Nicaragua as the agricultural frontier.

The FSLN claims that fighting has taken the lives of over 8,000 Nicaraguans. There has likewise been considerable material damage. The areas of fighting are relatively marginal to the economy. The bulk of Nicaragua's gross national product (GNP) is generated in the Pacific region, which has been free from fighting. To date, the most consequential material cost to the new regime of the counterrevolution has been the cost of devoting attention and resources to defeating the counterrevolutionary-

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⁴Forrest D. Colburn, "Rural Labor and the State in Postrevolutionary Nicaragua," *Latin American Research Review*, vol. 19, no. 3, (1984), pp. 103–117.

⁵See Philip A. Dennis, "The Costeños and the Revolution in Nicaragua," *Journal of Interamerican Studies and World Affairs*, vol. 23, no. 3 (August, 1981), pp. 271–296; Americas Watch Committee, *The Miskitos in Nicaragua, 1981–1984* (New York: Americas Watch Committee, 1984).

Forrest D. Colburn has done extensive research in Nicaragua. His book on postrevolutionary Nicaragua will be published by the University of California Press in 1985.

In 1984 in Guatemala, "some progress was made in the political arena, but virtually none in the area of the economy. The government appeared to be concentrating its efforts on avoiding issues, perhaps hoping that a successor regime in 1985 would have the ability or the will necessary to confront such problems . . . Reports of internal divisions within the officer corps persisted, but for the first time since 1981, Guatemala managed to finish a year with the same government that had begun the year."

Guatemala: Progress and Paralysis

BY RICHARD MILLETT

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IN many ways, 1984 was the most promising of the last five years for Guatemala. For the first time since 1981 there was no coup; instead, considerable progress was made toward a return to civilian government. While still posing serious problems, human rights violations and guerrilla activities remained at a level well below those of previous years. There were even signs that Guatemala's international isolation was breaking down.

The economy, however, continued to deteriorate, and there were no signs of major progress in resolving the thorny territorial dispute with neighboring Belize. And in dealing with the nation's basic problems—the military dominance of the political process, the deep cleavage between the Indian and the Hispanicized (*ladino*) populations, the massive problems of poverty, illiteracy and malnutrition and the long tradition of internal political violence—the Guatemalan political system remained virtually paralyzed.

Guatemala's current problems are related to the general Central American crisis and to the severe economic pressures that are afflicting developing nations. But the root causes of most current problems are indigenous. The deep social and racial divisions date back to the sixteenth century Spanish conquest; the tradition of harsh dictators began shortly after independence; and the military has been the dominant political force for most of this century. The process of political polarization became much more acute following the United States Central Intelligence Agency (CIA)-sponsored 1954 overthrow of the left-wing government of President Jacobo Arbenz. Extreme right-wing groups like the National Liberation Movement (MLN) began to create their own paramilitary forces and to use violence against any dissent from the left. Guerrilla attacks on the government also increased in the 1960's; but by the early 1970's, the guerrilla movement had been destroyed by a vicious but effective counterinsurgency campaign.

While the level of political violence declined in the mid-1970's, political fraud and government corruption

increased. Military dominance of the political process was also on the rise; all the major candidates for President in the 1974 and 1978 elections were career military officers. The army, not the voters, decided which of these candidates would ultimately triumph, and then used whatever degree of electoral fraud was necessary.

The regime of General Romeo Lucas García (1978–1982) represented the nadir of the Guatemalan political process. Moderate as well as left-wing political leaders were slaughtered; labor, student and Indian leaders were routinely tortured and murdered; and even the Vice President fled into exile. Because of the violence, relations with the United States deteriorated almost to the breaking point; Spain severed relations with Guatemala; the tourist trade collapsed; the economy began a precipitous decline; and guerrilla activity expanded steadily. By 1982, Guatemala appeared about to follow El Salvador into open civil war.

Frustration among junior officers combined with resentment over General Lucas García's effort to install a handpicked successor produced the March, 1982, coup that installed General Efraín Ríos Montt. Under Ríos Montt urban violence declined dramatically, corruption was curbed and a highly successful counterinsurgency campaign was launched against the guerrillas. In the course of this campaign, the Guatemalan army pressured thousands of Indians into joining civil defense forces, destroyed dozens of villages that were suspected of providing support for the guerrillas, and killed or forced into exile tens of thousands of Indians.¹

It was his own erratic political style rather than the nature of his counterinsurgency tactics that led to Ríos Montt's fall. His evangelical religious fervor alienated Catholics; the influence of junior officers upset the military high command; and Ríos Montt's proposals for tax and agrarian reform alienated the upper class. In August, 1983, his own Defense Minister, General Oscar Humberto Mejía Victores, overthrew Ríos Montt and installed himself as Chief of State.

The first few months of the new regime seemed to most observers to represent a return to the past. The government appeared to be primarily concerned with its own

¹Allan Nairn, "The Guns of Guatemala," *The New Republic*, April 11, 1983, pp. 17–21.

survival and with restoring hierarchical discipline to the officer corps. It did promise to hold elections in 1984 and it ended the secret tribunals Ríos Montt had instituted to try suspected guerrilla supporters, but it also continued the counterinsurgency strategy, dissolved the quasi-legislative Council of State and made a concerted effort to regain United States support by supporting the Central American policies of President Ronald Reagan.

Events during the first few months of the new administration seemed to confirm that the change in government represented another step backward in Guatemala's political history. Even conservative observers were extremely gloomy about Guatemala's prospects as 1984 began.³ Plans were announced for the election of a Constituent Assembly and parties and candidates were duly registered; but as the July 1 election approached, the dominant public attitudes were suspicion and indifference. Most observers anticipated a victory by the extreme Right, especially after its two major factions, the MLN and former President Arana's Authentic Nationalist Center (CAN), merged their electoral slates.

Fifteen different parties and political alliances, plus a peasant organization in Quetzaltenango, ultimately took part in the elections, and more than two million Guatemalans, 72.65 percent of those registered, voted. In defiance of Guatemala's political tradition, both the actual voting and the government's counting of the votes were remarkably honest. The largest single bloc of votes was cast for the moderate Christian Democratic party (DCG), while the new, center-right National Center Union (UCN), headed by newspaper publisher Jorge Carpio Nicolle, finished second. The MLN-CAN coalition won only 12 percent of the vote, compared to 15.6 percent for the DCG and 13.2 percent for the UCN. The old, increasingly discredited Revolutionary party (PR) won less than 7 percent of the vote, while the long-time official government-military Institutional Democratic party (PID) barely gained 5 percent of the vote. Equally surprising was the high level (nearly 26.5 percent) of the votes that were invalidated, cast blank or "unused."⁴

The success of the moderates in the election was reduced when the distribution of seats in the 88-member Constituent Assembly gave 23 to the MLN-CAN alliance, 21 to the UCN and only 20 to the front-running DCG. The PR won 10 and the PID and the National Renovation party (PNR), a center-right group, each re-

ceived 5. Three other parties and the Quetzaltenango peasants' group each were awarded one seat. Nevertheless, even strong traditional critics of Guatemalan politics hailed the elections as "taking a step away from extreme rightist rule and starting down a path of restoring democratic civilian government."⁵

Several facts were clarified in the 1984 vote. The Right had lost some of its strength to the center which, in the form of the Christian Democrats, the National Center Union and perhaps the National Renovation party and the United Revolutionary Front (2.2 percent of the vote) combined to win about three-eighths of the vote. Parties like the PR and the PID, associated with previous governments, suffered heavily and may be in the process of disappearing. Most difficult to evaluate were the blank and invalid votes. Some undoubtedly reflected errors, ignorance or apathy on the part of voters, but the majority probably represented support either for the Social Democrats or for groups further to the right, including the armed insurgents. All these groups had urged their supporters either to abstain or to cast blank or invalid votes as a form of protest; the high percentage of such votes indicates at least some significant response to this call.

The July election also demonstrated that the years of political fraud and violence had left Guatemalan politics deeply fragmented, with neither consensus, nor clearly dominant leadership, nor even a viable majority coalition in sight. To organize the Constituent Assembly, an accord was reached between the MLN, the UCN and the DCG that allowed each of them to assume the presidency on a rotating basis. This provided an organizational framework but did not address the basic problem of writing a new constitution and moving on to presidential elections in 1985. The Assembly soon bogged down in partisan debates, which led to growing public criticism of its lack of progress and its high costs.⁶

One of the major issues facing the Assembly is the system for choosing future Presidents. Traditionally, Guatemala allowed the candidate who obtained a plurality in the elections to assume power. In several elections, this gave victory to a candidate with less than 40 percent of the popular vote.⁷ This facilitated electoral fraud and military manipulation of politics and strengthened the influence of the extreme Right. There is considerable pressure to change the system to provide for a runoff election. Other political issues include the place of the military and the police in the political system, recognition of the Indian languages as well as Spanish as official Guatemalan languages, and a decision on the extent to which private property rights are subject to the needs of society.

Pressure on the Assembly to complete its work has mounted steadily. General Mejía has announced that elections for President and Congress will be held in July, 1985, and that he hopes to transfer power in August, 1985. Maneuvering for that election has already begun, and three major candidates are emerging. On the right,

³Richard F. Nyrop, "Introduction," in Richard F. Nyrop, ed. *Guatemala: A Country Study*, (Washington, D.C.: United States Government Printing Office, 1984), pp. xvii-xxiii.

⁴*La Nación Internacional* (Costa Rica), December 29, 1983-January 4, 1984, pp. 12-13.

⁵*Central America Report* (Guatemala), July 6, 1984, p. 201.

⁶Council on Hemispheric Affairs, *Washington Report on the Hemisphere*, vol. 4 (July 24, 1984), p. 1.

⁷*La Nación Internacional*, September 20-26, 1984, p. 9.

⁸Foreign Broadcast Information Service, *Daily Report: Latin America*, November 24, 1984, pp. P14-15. (Hereafter cited as FBIS.)

the PID and the Emerging Movement for Harmony (MEC) have joined the MLN-CAN coalition and are promoting the candidacy of former Vice President Mario Sandoval Alarcon, considered by many the most extreme representative of Guatemala's radical Right.

On the center-right, the PR and PRN seem about to join with the UCN to support the candidacy of Jorge Carpio, a candidacy that also seems to be supported within the military. The Christian Democrats are running Vinicio Cerezo and there is the possibility of a center-left coalition emerging with a fourth candidate.⁸

The key issue, however, remains the attitude of the military. In the words of former Guatemalan Vice President Francisco Villagran Kramer, the nation is "facing a selection rather than an election." Military leaders are in the process of deciding not only which candidates they favor, but which they could accept and to what extent they are ready to interfere with the political process to prevent an undesirable outcome. Resentment of past military rule is an important factor in Guatemalan politics, and too close an embrace by the military could do more harm than good. Sensing this, Sandoval Alarcon has grown increasingly critical of the army's political role; only Carpio seems to be seeking a military endorsement.

VIOLENCE AND COUNTERINSURGENCY

The July elections may signal a revival of civilian politics in Guatemala, but violence remains a basic part of the political equation. Even the report of the National Bipartisan Commission on Central America (the Kissinger Commission) condemned the government's security forces for having "murdered those even suspected of dissent" and for having "killed indiscriminately to repress any sign of support for the guerrillas" in the countryside.⁹ In addition to government killings, private death squads on the right and the guerrillas on the left add to the carnage, even kidnapping relatives of the President.

The level of internal violence was fairly high at the start of the year, but declined in the late spring and summer. It revived again in the fall of 1984 and, in the space of a few days, a member of the Constituent Assembly, a United States Peace Corps volunteer and two faculty members

from the National University were murdered.¹⁰ Urban political murders remain well below the levels of the Lucas administration and there seem to be fewer rural killings; yet internal violence remains endemic in Guatemala, with the government lacking the ability and/or the will to control it.

While seriously weakened by post-1982 government counterinsurgency efforts, the guerrillas have survived and continue to attack government forces. During the fall of 1984, the guerrillas mounted armed actions in 7 of Guatemala's 22 departments, with particularly fierce fighting in the Department of San Marcos. Nevertheless, the military has generally held its own in these encounters, and the guerrillas show no signs of regaining their previous strength. Much of the government's counterinsurgency campaign continues to revolve around the organization of civilian defense forces, whose strength is now estimated to number anywhere from 400,000 to 900,000 men. The government has also renewed an offer of amnesty to any guerrillas who lay down their arms but has adamantly rejected all suggestions that it follow the Salvadoran example and open a dialogue with the insurgents.¹¹ The guerrilla effort may continue to decline slowly, but it is unlikely to be eliminated in the next few years.

ECONOMIC PROBLEMS

The insecurity and destruction produced by the continuing political violence has contributed to the ongoing decline of the economy. Other factors include the virtual collapse of the Central American Common Market, the low prices currently commanded by Guatemala's major agricultural exports, and the continuing difficulties in reaching an understanding with the International Monetary Fund (IMF). Tourism remains severely depressed, new investments are lacking and the value of Guatemala's currency, the quetzal, long pegged to the dollar, has begun to decline. The gross domestic product declined by 3.5 percent in 1982 and 2 percent in 1983.¹² Current projections indicate a further decline of about 1 percent for 1984, the worst overall record in Central America for each of the past two years.

Government efforts to deal with the economic crisis have been largely inconsistent and ineffective. In the fall of 1983, Guatemala reached an agreement with the IMF for a \$120-million loan to help cover its balance of payments deficit. But as the year progressed, it became increasingly obvious that Guatemala was not adhering to the terms of the agreement, especially with regard to the government's fiscal deficit (which is projected to exceed \$500 million for 1984). The IMF suspended payments on the second half of the loan and pressured Guatemala to adopt new taxes and reduce government expenditures.

The government responded to the IMF pressures by making a few gestures aimed at limiting expenditures, but it emphasized tax reforms in an effort to increase revenues. Central to this effort was a broadening of the value

⁸*Rumbo Centroamericano* (Costa Rica), November 29–December 5, 1984, pp. 12–14.

⁹*Report of the National Bipartisan Commission on Central America* (Washington, D.C., United States Government Printing Office, January, 1984), p. 100.

¹⁰*Central America Report*, February 10, 1984, p. 43; March 16, 1984, p. 84; November 12, 1984, p. 343. Americas Watch, *Human Rights in Central America: A Report on El Salvador, Guatemala, Honduras and Nicaragua* (Washington, D.C., June, 1984), pp. 6–11.

¹¹*Central America Report*, October 19, 1984, p. 326. FBIS, September 12, 1984, p. P6; November 19, 1984, p. P9. *Rumbo Centroamericano*, November 22–28, 1984, p. 5.

¹²United States Department of Commerce, *Foreign Economic Trends and their Implications for the United States: Guatemala* (Washington, D.C.: International Trade Administration, March, 1984), p. 2.

added tax and an effort to tighten the enforcement of tax collection. Evading taxes has long had the status of a national sport among Guatemala's middle and upper classes, and they reacted strongly to the reform effort, taking out full-page advertisements in newspapers denouncing the policy, demanding the resignation of the finance minister and even attempting to prosecute the President for alleged illegal action in increasing taxes.

The government responded by denouncing its critics as agents of political destabilization and by reiterating its determination to enforce tax collection. This activity generated considerable political heat in Guatemala, but it failed to have the desired effect on the IMF, which continued to suspend payments on the loan. By the end of November, negotiations with the IMF had failed to resolve outstanding issues; this contributed to a further deterioration in the nation's fiscal situation.¹³

A major effect of the economic crisis has been the steady shrinkage of foreign currency reserves and an acute shortage of dollars. One cause has been the steady decline in the value of Guatemalan exports, which dropped nearly 30 percent between 1980 and 1983. Another factor has been Guatemala's virtual inability to secure new private bank loans, although it has the lowest ratio of debt to gross national product of any Central American nation. Official corruption, a flourishing black market in dollars and the dispute with the IMF all added to the problem. In November, the government was forced to allow the establishment of a legal, parallel market for dollars, while still maintaining the official exchange rate of one quetzal to one dollar. The parallel rate quickly climbed to 1.4 quetzals to the dollar, but this failed to eliminate the black market, where rates reached 1.55 to the dollar in December. By the end of 1984, the government's efforts had apparently failed to improve the foreign exchange situation and had, if anything, increased pressure on the quetzal.¹⁴

Beset by internal violence and a deteriorating economy, life for the majority of Guatemalans remained grim in 1984. Average life expectancy was only 59 years; malnutrition was rampant; and most of the population did not have access to safe drinking water. Nearly half the adult population was illiterate and, by 1984, 40 percent of

the work force was either unemployed or underemployed.¹⁵ The government could offer little hope for altering these depressing realities, and the chances that the victor in the 1985 elections would be able to produce major improvements in the living conditions of most Guatemalans were slim.

FOREIGN POLICY

Guatemala's government had slightly greater success in dealing with international relations, but in this area, too, major problem areas showed little signs of progress. For Guatemala as well as all the other Central American nations, relations with the United States were a central concern. When General Mejía Victores took power, it appeared for a time that he would take a more active role in Central American affairs than his predecessor and that Guatemala would generally support United States policies in the region. He hosted a meeting designed to revive CONDECA,* the regional military alliance, and stepped up criticism of Nicaragua. Within the context of the Contadora group's efforts to mediate regional issues, Guatemala generally adopted positions in line with those of Honduras, El Salvador and Costa Rica and opposed those of Nicaragua. But Guatemala reversed this trend in 1984.

There are several reasons for the change in Guatemala's position. Mejía Victores was reportedly pressured by his fellow officers to avoid giving the appearance that Guatemala had become an instrument of Reagan administration policies. Guatemala was also upset at the continued low levels of United States economic and military assistance and by criticism of its human rights practices in the United States Congress and in the report of the Kissinger Commission. Guatemala was much more critical of the Kissinger Commission than any other Central American nation except Nicaragua. During the spring of 1984, the gap between the United States and Guatemala continued to widen as Guatemala's military refused to take part in joint maneuvers in Honduras and Mejía Victores expressed public opposition to any invasion of Nicaragua. The Guatemalan Chief of State also voiced skepticism about overall United States policies in the region and declared that the prime issue in Central America was "to prevent a conflict from taking place."¹⁶

By late spring, the United States was making some effort to ease the strain in Guatemalan-United States relations. In his May 9 address on Central America, President Reagan expressed optimism that Guatemala was on the road to restoring "full constitutional government." In August, the new United States Ambassador to Guatemala, Alberto Piedra, declared that the human rights situation had improved and announced that the administration would seek over \$100 million in economic and military assistance for Guatemala in 1985.¹⁷ Congress, however, continued to evidence little enthusiasm for aid to Guatemala, and in the 1985 Continuing Resolution of Foreign Assistance for the fiscal year 1985 it

*Central American Defense Council.

¹³*Rumbo Centroamericano*, November 15-21, 1984, p. 7. *Central America Report*, August 3, 1984, p. 236; September 28, 1984, p. 303; October 12, 1984, p. 315; November 9, 1984, p. 349. FBIS, October 9, 1984, p. P14.

¹⁴*Rumbo Centroamericano*, December 6-12, 1984, p. 9. FBIS, November 16, 1984, p. P6.

¹⁵Washington Office on Latin America, *Guatemala: The Roots of Revolution* (Washington, D.C., February, 1983), p. 5. *Foreign Economic Trends*, p. 10. Inter-American Development Bank, *Economic and Social Progress in Latin America: Economic Integration, 1984 Report* (Washington, D.C., 1984), pp. 300-306.

¹⁶Personal interviews in Guatemala, July, 1984. FBIS, January 16, 1984, pp. P11-12; March 8, 1984, pp. P8-9; March 15, 1984, p. P7; April 19, 1984, p. P6.

¹⁷*Mesoamerica* (Costa Rica), vol. 3 (October, 1984), p. 5.

eliminated all provisions for military credit sales (FMS). In the Continuing Resolution, \$12.5 million in Emergency Support Funds (ESF) were provided on condition that they be used only on development assistance targeted toward the nation's poor; and \$300,000 in military training funds were also appropriated, the first in this category since 1977.¹⁸

This limited funding did little to mend relations between the United States and Guatemala. While the government reduced its open criticism of United States policies, it continued to steer an independent course in Central American affairs. In the fall, Guatemala joined with Nicaragua in supporting the proposed Contadora draft agreement and resisting the changes advocated by the United States and some Central American governments. This strange alliance between the region's last military government and Nicaragua's Sandinistas is unlikely to last, but it clearly illustrates the extent to which United States and Guatemalan policies continue to diverge on key regional issues.

Another important issue for Guatemala is the long-simmering dispute over Belize. Guatemala has never recognized Belizean independence and the report of contacts between Guatemala's Ambassador to the United States and Belizean officials unleashed a storm of domestic criticism in early 1984. In theory, Guatemala retains a claim to all of Belize, but in reality it hopes for some territorial concession in the south, which will widen its access to the Caribbean. There were some discussions with the British over this issue during 1984, but no apparent progress. The issue contributes to Guatemala's international isolation and internal frustration, but no Guatemalan government has yet worked out a formula for terminating this long-standing problem.

In recent years, relations with Mexico have also been troubled because of the flood of Guatemalan refugees entering Mexico, and because of Guatemalan allegations that Mexico was at least tolerating, if not actually supporting, guerrilla attacks across the border. Tensions in this area eased somewhat during 1984. The decline in both government and guerrilla violence in rural areas led to a major decline in the number of new refugees seeking entrance into Mexico; a few even began to return to their homes with the encouragement of the Guatemalan government. Mexico began implementing a plan to move the remaining refugees to camps far from the border, both to prevent Guatemalan military attacks on the camps and to ease Guatemalan fears that the refugees were supporting the guerrillas.¹⁹ While official relations remained cool at best, tension along the border was significantly reduced.

¹⁸ *Washington in Focus*, vol. 2 (October 24, 1984), p. 5.

¹⁹ FBIS, November 21, 1984, pp. P9–10. *Central America Report*, July 27, 1984, p. 226; August 10, 1984, p. 243. Robert D. Tomasek, "Refugee Problems of Salvadorans in Honduras and Guatemalans in Mexico: A Comparative Analysis" (Paper presented to the Third World Conference, University of Nebraska at Omaha, October 18–20, 1984).

²⁰ *La Nación Internacional*, September 27–October 3, 1984, p. 3.

Important progress was made on one difficult, long-standing issue in 1984. On September 22, diplomatic relations with Spain were reestablished after more than a four-year interruption. The break stemmed from the January, 1980, occupation of the Spanish embassy in Guatemala by a group of protesters and the subsequent storming of the embassy, over the ambassador's protests, by Guatemalan security forces. In that incident, the Spanish ambassador was injured, 39 people were killed and the embassy was destroyed. Guatemala had defended its actions while Spain broke off relations pending an official apology and the payment of damages. With the help of Colombian mediation, an accord was finally reached in September, 1984; Guatemala acknowledged that its actions constituted a violation of the Vienna Convention governing diplomatic privileges, but did not formally apologize.²⁰ The accord infuriated some elements of Guatemala's extreme Right, but they were completely unable to prevent its implementation.

PROSPECTS

By the end of 1984, Guatemala was still facing almost all the major problems it had faced at the start of the year. Some progress was made in the political arena, but virtually none in the area of the economy. The government appeared to be concentrating its efforts on avoiding issues, perhaps hoping that a successor regime in 1985 would have the ability or the will necessary to confront such problems. The military appeared determined to remove itself from direct control of the political process but was doggedly determined to maintain its privileges, to protect its immunity from effective civil control and to exercise at least a potential veto over all basic policy decisions. Reports of internal divisions within the officer corps persisted, but for the first time since 1981, Guatemala managed to finish a year with the same government that had begun the year.

One potentially hopeful sign was the growing split between the military and the extreme right-wing political parties. Reports of ties between the army and the UCN and increasingly bitter criticism of government policies by the Right all gave increased credibility to these reports. But the military was still reluctant to open up the political process and retained deep suspicions of the Christian Democrats, whose leader they referred to as Vinicio Alfonsín. This reflected their fear that a civilian government might institute procedures against high-ranking military officers similar to those being pursued in Argentina. Efforts by the Christian Democrats to calm such fears had little apparent success, and it remained unclear

(Continued on page 136)

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"Honduran democracy limps on, overshadowed by the military and burdened with a catastrophic economic situation. There have been two reasonably honest elections, and while those who were allowed to participate had a relatively narrow perspective, the same might be said of elections in many other nations hailed as democracies."

Honduras in Transition

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HONDURAS is in the grip of powerful forces, some of them outside its control, which are leading the country in new and sometimes surprising directions. While the country is striving to preserve and consolidate newly restored forms of democratic government, it finds itself the focus of international tensions that strengthen the role of the Honduran armed forces and raise the specter that Honduras may return to military rule. Tensions are increased by the presence of United States military personnel, who seem to be transforming Honduras into an enormous base of operations whose ultimate purpose remains unclear.

For most of its history, Honduras was largely ignored by the outside world. It was a rural backwater, even by Central American standards. For some 60 years after the turn of the century, the national economy was dominated by a single crop, bananas; and the banana industry was dominated by two giant North American firms, United Fruit and Standard Fruit, who reputedly made and unmade governments at their whim. Between independence in 1838 and 1984, there were 126 different regimes and 14 constitutions.¹ Out of the factions of the nineteenth century, a two-party system had evolved by 1916, pitting the Liberal party (PL) against the National party (PN), but the parties were divided more by personalities than by principles and they were equally ready to despoil the country for their own benefit. At this the PN appeared the more adept; it enjoyed a long period in power from 1932 to 1954.

But substantial changes began in the post-World War II period, behind the banana republic façade. The economy was diversified, with coffee rivaling bananas as the chief export crop by the mid-1970's. There was even some

industrialization after the withdrawal of Honduras from the Central American Common Market in 1969. This did not mean that Honduras grew rich, although some Hondurans did. Even today, Honduras vies with Bolivia for the title of the poorest nation on the American continents, and its nutritional standards and general health levels are poor even by the standards of war-torn El Salvador.²

One significant change in the 1950's was the professionalization of the military, which until then had not even had a proper military academy. In 1963, under the leadership of General Oswaldo López Arellano, an assertive new officer class swept away the civilian politicians and established a military rule that would last, except for one brief interlude, until 1982. López himself ruled until 1975, and he was succeeded in turn by General Juan Alberto Melgar Castro (to 1978), and General Policarpo Paz García. Although every general took the title of chief of state, López Arellano and later Paz García derived their real power from the military; each of these men was chief of the armed forces, the most powerful position in the country.

Despite the clamor from civilian politicians for a return to civil government, the military leaders might have chosen to remain in power, perhaps under constitutional forms, had they not begun to feel a good deal of pressure from the United States. As the Somoza family dynasty crumbled in Nicaragua, El Salvador drifted toward civil war, and guerrilla campaigns intensified in Guatemala, the United States saw Honduras, which borders on all three, as the key to restoring regional stability. United States policymakers believed that the best way to save Honduras from the general chaos surrounding it was to restore formal democracy. When he took over in 1978, General Paz had promised that there would be elections for a Constituent Assembly in April, 1980, and the United States held him to his promise, despite repeated rumors that the military was planning to cancel those elections. To reassure the military that its domination would continue, the leaders of the PL and PN met with the Superior Council of the Armed Forces (CONSUGA), a group of some 25 senior officers, shortly before that election and agreed that Paz would be provisional President and would continue as chief of the armed forces. With these assurances, the elections were fairly honest

¹The figure of 126 is derived from William S. Stokes, *Honduras: A Case Study in Government* (Madison, Wisc.: University of Wisconsin Press, 1950), pp. 329-331, and from my own calculations. James A. Morris, *Honduras: Caudillo Politics and Military Rulers* (Boulder, Colo.: Westview Press, 1984), p. 60, gives 14 constitutions.

²It is estimated that 70 to 100 children die of starvation every day. Infant mortality was 87 per 1,000 in 1984. Jorge Arturo Reina, *Qué Pasa Hoy en Honduras: Cincuenta preguntas y repuestas sobre la Realidad política Nacional*, (Tegucigalpa: Rapicopias S. de R. L., 1981), pp. 4, 8; *Central America Report* (Boston), May, 1984.

and the Liberals gained a slight plurality over the Nationals, with the tiny Party of Renovation and National Unity (PINU) holding the balance with its three seats.

The Constituent Assembly worked more diligently than had been expected and completed a constitution so that elections for a President and Congress could be held at the end of November, 1981. Civilians from the three parties that had participated in the previous election, plus the newly legalized Christian Democratic party (PDCH), entered candidates. The main struggle involved Ricardo Zúñiga Augustinias, the PN boss who had been a fixture in the government under López Arellano and was closely associated with the military, and country doctor Roberto Suazo Córdova, the PL standard bearer, who had the reputation of being antimilitarist. The results, which gave Suazo the presidency and the Liberals an absolute majority in Congress, were interpreted by many as a popular repudiation of military government.

It was agreed between the parties and CONSUFA that whatever the results of the election, General Paz would step down as chief of the armed forces. He was replaced on the first day of Suazo's term by General Gustavo Alvarez Martínez, a fanatical anti-Communist. In the years he had spent commanding the northern military district, Alvarez had also become known as the friend of the banana companies, a man ready to come to the planters' aid in case of labor trouble. As chief of the armed forces, he soon dominated the Superior Council and purged it of his rivals. With Alvarez in power, it was soon clear that the military had not really ceased to run the country, for he and CONSUFA had a de facto veto over any measure that touched the armed services or national security. Suazo, who suffered two heart attacks in his first year in office, appeared to be little more than a puppet, especially in light of the deteriorating international situation.

By the time the Constituent Assembly was elected, the Sandinistas had gained control in Nicaragua, and El Salvador was locked in civil war. Both these conditions presented grave challenges. What was left of Somoza's National Guard poured across the border into Honduras and established camps along the border. While some junior Honduran officers were sympathetic to the Sandinistas, the senior commanders sympathized with the refugees and were even willing to aid them in their efforts to topple the new Nicaraguan regime. The Nicaraguan counterrevolutionaries (contras) based themselves in the department of Gracias a Dios, Olancho and El Paraíso, and by 1981 were conducting raids deep into Nicaraguan territory.

Understandably angry, Nicaragua remonstrated with Honduras and Nicaraguan troops sometimes fired across

the border. By July, 1983, some 10,000 Hondurans had been forced to flee the border area because of the fighting, becoming refugees in their own country. Relations reached a low point in May, 1984, when Nicaraguan forces shot down a Honduran air force helicopter that had strayed across the border. Eight Hondurans were killed, and Honduras withdrew its ambassador from Managua.³

Another problem was the long, rugged border with El Salvador. Northern El Salvador was the scene of much bitter fighting between rebel and government forces after February, 1980. Refugees, many of them antigovernment, began to pour across the frontier, and the rebels themselves often evaded their foes by slipping into the Honduran mountains. Under General Paz and, later, under General Alvarez, the policy of the Honduran armed forces was one of limited cooperation with their one-time foes, the Salvadoran military. The most spectacular and tragic example of this cooperation occurred on the Río Sumpul in May, 1980, when some 600 refugees were trapped between units of the two armies and slaughtered. Still, some 19,000 Salvadorans were living in Honduras by 1984. Their original camps had been located at La Virtud, Guarita, and in other border areas. Because it was burdened by an almost equal number of Nicaraguans, desperately poor Honduras could manage to care for the refugees only with the aid of the United Nations. Fearing the continued links between the refugees and the rebels in El Salvador, the Honduran government began moving them back to such sites as Mesa Grande, well away from the border area. And in 1984, Honduras finally began to ship the refugees to the north coast, to centers near Puerto Castilla.⁴

The Salvadoran border presented other problems as well. According to the terms of the October, 1980, peace treaty between the two countries, a joint commission was set up to define the long disputed frontier by 1985. Not only was it next to impossible for the commission to complete its work, but the Honduran army took advantage of the chaotic situation to occupy some disputed pockets of territory. While this helped the Salvadoran army by denying the rebels access to the territory, it threatened to strain relations between the two countries.

Faced with these tensions, it is understandable that General Alvarez Martínez, the man responsible for the defense of his country, was only too ready to accept offers of military assistance from the United States. But his method of doing so underscored the civil government's lack of control over its armed forces. Alvarez worked directly with the United States Department of Defense and with United States Ambassador John Dimitri Negroponte, who was very close to Alvarez and appeared to have great influence. Alvarez informed his own President and Congress only belatedly for their rubber-stamp approval of these negotiations. The most far-reaching and significant of these concerned the establishment of a massive Regional Military Education Center (CREM) at

³*This Week Central America and Panama*, July 4, 1983; May 14, 1984.

⁴Maureen Fiedler and Dolly Pomerleau, eds., *Honduras: A Look at the Reality* (Hyattsville, Md: The Quixote Center, 1984), p. 4.

Puerto Castilla on the north coast, with a complementary air base at Trujillo across the bay. This was to be a replacement for the School of the Americas in Panama, which was to revert to that country in 1984, and would train not only Honduran personnel but also Salvadorans and others.

Word of this proposal leaked out in March, 1983, and was categorically denied by Presidency Minister Carlos Flores Facussé and by Foreign Minister Edgardo Paz Barnica, evidently because they were totally ignorant of the ongoing negotiations. Only when United States troops were already on their way to begin construction was Congress called into a secret session by President Suazo and asked to ratify the decision made behind its back.⁵ Congress had to agree. It did so, however, with the understanding that massive amounts of United States economic aid, which the stagnant economy of Honduras desperately needed, would be forthcoming. Further, it was understood that more Hondurans than Salvadorans would be trained at CREM, and that because Salvadoran troops were to be allowed to train on Honduran soil, the Salvadoran government would speed up the process of border demarcation. None of this turned out quite as expected.

THE UNITED STATES BUILDUP

Encouraged by General Alvarez, the United States began a massive military buildup in Honduras. Not only was there the \$32-million installation at Puerto Castilla, there was a whole spate of air base building or improvement. Three existing civilian-military fields were lengthened to take the giant C-5 United States transport planes, and two other fields suitable for C-5's were constructed. Five fields capable of handling the smaller C-130 transports were also built by United States Seabees and army engineers. All these fields could, of course, also be used by jet fighters and attack craft. The hub of the North American operations was the base at Palmarola, near the old capital city of Comayagua, with an airfield, a communications center and elaborate security. It was equipped to deal with anything from guerrilla activity to a full-scale regional war.

About 35 kilometers southeast of Tegucigalpa there was a giant radar complex, capable of monitoring air traffic over Nicaragua and El Salvador as well as Honduras. Another radar station, with surface search capabilities as well, was located on Isle El Tigre in the Gulf of Fonseca to help control that vital waterway separating El

Salvador from Honduras and to keep Nicaraguan supplies from reaching the Salvadoran rebels. In all, some 2,000 American servicemen were expected to be permanently stationed in Honduras, with thousands more there for frequent joint-training exercises. Nicaragua was understandably nervous that all this might be only the prelude to a larger version of the Grenada operation.

Honduras would receive over \$90 million in United States economic aid in 1983, and more in 1984, but more significant were the sums handed out to modernize and expand the Honduran military, once again emphasizing the role of that institution in the national life. This aid amounted to \$37 million in 1983 and \$41 million in 1984.⁶ Thus encouraged, the military expanded from an establishment of 11,000 in 1979 to 25,000 in 1984. The sophistication of its equipment also grew, most notably in the air force, which by 1984 had some 40 jet aircraft plus helicopters, transports and trainers, making it almost equal in size to the combined air forces of the other Central American states.⁷

Major joint maneuvers of the United States and Honduran forces began with Big Pine I in February, 1984, which involved 1,600 North Americans and 4,000 Hondurans and cost the United States \$45.5 million. Big Pine I was followed in the summer of 1984 by a vastly larger Big Pine II and by the Grenadier series in the spring and summer of 1984. In these exercises, an "aggressor force," of whose identity no one was in doubt, was repelled by the joint force with United States naval assistance. In June, 1984, Grenadier II featured a spectacular combat airdrop of 750 United States, Honduran and Salvadoran troops at Jamastrán Airfield, only 25 km. from the Nicaraguan border. This was especially impressive in view of the fact that Honduras had not even had a parachute unit a year earlier. After Grenadier II, joint exercises continued, but on a smaller scale.

The honeymoon period of United States-Honduran relations did not last long. Honduran military officers and civilians alike began complaining that the amount of economic aid was not sufficient. There were also rumblings of discontent over the number of Salvadorans training at CREM. "We don't want to train people who will attack us later," one officer explained.⁸ On May 23, 1984, a serious incident occurred at the National University campus outside Tegucigalpa when a United States vehicle, with two United States servicemen aboard, hit a male student on the highway. The two soldiers were set upon by a mob of angry students who forced them to flee and burned their vehicle. Although it was an isolated incident, this underscored the resentment felt by many Hondurans.

Much of the criticism of the United States presence was partisan in nature. The lone Christian Democratic deputy in Congress, Efraín Díaz Arrivillaga, frequently criticized the United States presence and was sometimes joined by the three PINU deputies. Even the pro-military National party voiced some resentment. Some of the

⁵*La Tribuna* (Tegucigalpa), March 24, 1983. See also *Latin America Special Update: Honduras* (Washington, D.C.: Washington Office on Latin America), February, 1984, and *The New York Times*, June 22, 1984.

⁶*Latin America Special Update: Honduras*.

⁷*Ibid.*, and *Honduras Update* (Boston), June, 1984. The figures from these sources do not completely coincide and I have made my own best estimate.

⁸*Washington Report on the Hemisphere* (Washington, D.C.: Council on Hemispheric Affairs), May 3, 1984.

strongest criticisms, however, came from within the President's own Liberal party. Modesto Rodas Baca, son of the former party leader, accused Suazo and Alvarez of leading the country toward war, and Jorge Arturo Reina's left-wing party faction, now known as the Liberal Democratic Revolutionary Movement (MOLIDER), urged that the United States withdraw from Honduras.

The United States, as always, tried to generate goodwill through its military presence. Medical teams were sent throughout the country, giving one-day health clinics. Some 60,000 people had been treated by mid-1984. There were other gestures, like Christmas parties for orphans, which were meant to show the United States in a favorable light. The United States military also kept a low profile and soldiers wore civilian clothes off base.

Outside the legal political spectrum, the growing left-wing guerrilla movements saw in the United States presence a wedge to separate the government from popular support. By the early 1980's there were several guerrilla groups in the field. One was the long-illegal Communist party (PCH). Two new (and stronger) organizations were the Morazán Front of Honduran Liberation (FMLH) and the Popular Liberation Movement (MPL), generally referred to as the Cinchoneros. The latter group seized the San Pedro Sula Chamber of Commerce and 80 prominent Hondurans in September, 1982. In 1983, the MPL and three other groups united to form the Honduran Revolutionary Movement (MRH).

That same year, the fledgling armed guerrilla struggle received its greatest setback to date. In August, José María Reyes Matos, whose Central American Revolutionary Workers' party (PRTC) was a part of the MRH, invaded the Honduran department of Olancho from neighboring Nicaragua with some 200 armed followers. Also along, in an unknown capacity, was James Carney, known as Padre Guadalupe, a Chicago-born priest who had been expelled from Honduras in 1979. The invasion was a fiasco. Honduran troops showed the value of their United States counterinsurgency training by running down the guerrillas and killing most of them. The Honduran army claimed that among the dead were Reyes and Father Carney, although their bodies were never produced. Since that time, the MRH has been forced to limit itself to small actions.

THE PUBLIC SECURITY FORCES

But the existence of guerrilla movements gave the military an excuse for a general crackdown on elements it considered subversive. Police power in Honduras is in the hands of the Public Security Forces (FUSEP), a branch of the military that had been headed by General Alvarez before he became chief of the armed forces. FUSEP's political police are called the National Directorate of

Investigations (DNI); in 1982 this group embarked on a campaign of disappearances of the type all too familiar in El Salvador and Guatemala. Protests arose from human rights activists like Zenaida Velásquez and Ramón Custodio of the Committee for the Defense of Human Rights, who were themselves occasionally arrested. The disappearances, tortures and unexplained deaths went on, although on a modest scale by Central American standards, with 100 cases a year. General Alvarez, who had an obsession with security matters, firmly backed the DNI, believing that it worked against Communist subversives.

In the first two years of the Suazo government, Alvarez seemed to be continually strengthening his position. Only a colonel when Suazo was elected, he had himself made a brigadier and then a major general over the heads of many senior officers. In November, 1982, he persuaded Congress to change his official title to "commander in chief of the armed forces," a change that Deputy Díaz Arrivillaga pointed out was unnecessary, except to show that the military could do anything it wanted to do.⁹ It passed with only Díaz dissenting.

General Alvarez also founded a new organization, the Association for the Progress of Honduras (APROH), which was destined to outlast his tour as commander in chief. It included prominent business leaders of right-wing tendencies, including Miguel Facussé, the north coast tycoon. APROH began to use large amounts of money for various anti-Communist causes. There were rumors that some of the funding came not from its wealthy members, but from the Association for the Unity of American Societies (CAUSA), a branch of Sun Myung Moon's Unification Church.¹⁰ APROH was probably intended to be the political base from which Alvarez might try for the presidency itself, while maintaining his role as commander in chief.

This was not to be. Honduras is famous for its lightning coups, and the coup that occurred on the night of March 30, 1984, was in the best Honduran tradition. General Alvarez had flown to San Pedro Sula for an APROH meeting. After an evening of conferences and partying, he drove back to the airport. There he was met by Major Israel Navarro, who arrested him in the name of the Superior Council of the Armed Forces. He was then taken to the capital and put on a plane for Costa Rica. President Suazo Córdova was informed between nine and ten the next morning. Rumor has it that he was told either to go along with the coup, or to join Alvarez in exile.¹¹ The United States embassy had a different version of the story, claiming that Suazo had been nudging the officer corps to remove Alvarez for some time, going from garrison to garrison to line up support for the ouster. This

(Continued on page 132)

⁹*Latin America Update* (Washington, D.C.: Washington Office on Latin America), January/February, 1983.

¹⁰*Ibid.*, May/June, 1983.

¹¹*Honduras Update*, May, 1984.

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"As for perceived threats to the doctrine of neutrality, the Monge administration sees no conflict of interest between Costa Rica's neutrality policy and its very close political and economic relations with the United States."

Neutrality Costa Rican Style

BY JENNIE K. LINCOLN

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ON November 17, 1983, in the midst of political upheaval in Central America, President Luis Alberto Monge issued a presidential proclamation outlining a policy of "perpetual, active and unarmed neutrality" for Costa Rica. In the minds of some Costa Ricans, this proclamation reflects Costa Rican political tradition. To others, a policy of neutrality is unrealistic and even dangerous for Costa Rica's democratic system. The Monge administration proposed adding the neutrality doctrine as an amendment to the constitution, but soon withdrew the proposal from Legislative Assembly consideration when the idea evoked opposition, including some from Monge's own party. The debate over the neutrality issue provides a framework for analyzing the political situation in Costa Rica today.

Politically, Costa Rica finds itself in a unique position in Central America. Since its own revolution in 1948, Costa Rica is the only nation in Central America to maintain and respect democratic institutions and processes. This has led many to suggest Costa Rica as a model democracy to be emulated by other nations in the region. After the revolution in 1948, Costa Rica disbanded its army and has since relied on politically appointed Rural and Civil Guards for the country's defense. Political symbolism as well as political reality are attached to the fact that Costa Rica has no standing army to protect its national security.¹

Economically, however, Costa Rica is not so unique. It has not been able to escape the economic adversity experienced by other Central American nations that have been affected by the political instability of the region as well as by a spiraling foreign debt. Attracting foreign investment has become more difficult and international commerce has been interrupted frequently because of conflicts in the region. At the same time, Costa Rica has

not been able to avoid the problems experienced by other third world nations following the expansion of the public sector, increased investment in infrastructure and the expansion of state-owned enterprises, all largely financed by foreign investment. Costa Rica's public debt has surpassed \$4 billion, making it one of the largest per capita debt countries in the world. Managing this debt and its economic ramifications have been of foremost concern to the Costa Rican government.

It is within this context that the Costa Rican government has proclaimed a policy of "neutrality" with respect to the political crisis in the region. As it attempts to survive in a region fraught with political and economic difficulty, the question may well be raised: is neutrality possible for Costa Rica?

On the first anniversary of the proclamation of neutrality, President Monge suggested that for every neutral country there is a different style of neutrality. For Costa Rica, neutrality is described as: (1) perpetual with regard to any conflicts between states now or in the future; (2) active, that is, supporting peaceful solutions to conflict and respecting human rights and fundamental liberties; and (3) unarmed—national security is based on the will of the people, international law and collective security agreements.²

While some historians reach back to the 1800's for the roots of Costa Rica's neutrality and suggest that Costa Rica has been neutral since independence, even these historians admit that Costa Rica's neutrality has been at times "flexible"—especially during the insurrection of the Sandinistas against the government of President Anastasio Somoza Debayle.³ A political commentary on Costa Rican relations with its neighbor to the north suggested that Costa Rica has three seasons: summer, winter, and war with Nicaragua. According to Foreign Minister Rafael Angel Calderón Fournier and Minister of Public Security Juan José Echevarría Brealey, during the Rodrigo Carazo administration Costa Rica was very close to direct involvement in that war and by the end it was openly supporting the Sandinistas by officially allowing planes to land on Costa Rican soil with arms for the insurrection.

This "flexibility" is again evidenced by the fact that Costa Rica has allowed one of the principal anti-Sandinista (contra) groups, the Democratic Revolution-

¹For background see Charles D. Ameringer, *Democracy in Costa Rica* (New York: Praeger, 1982) and John Patrick Bell, *Crisis in Costa Rica—The 1948 Revolution* (Austin: University of Texas Press, 1971).

²Luis Alberto Monge, *Proclama Presidencial sobre la Neutralidad Perpetua, Activa y no Armada de Costa Rica* (San José, Costa Rica, November 17, 1983).

³Manuel Araya, "Fundamentos Históricos de la Neutralidad Costarricense" (Paper presented at the first anniversary celebration of the Proclamation of Neutrality, San José, Costa Rica, November 15, 1984).

ary Alliance (ARDE), to operate rather freely from Costa Rican territory. Edén Pastora, the military leader of ARDE before the group split, has had his visa revoked a number of times, but that has not inhibited him from traveling in Costa Rican territory. Following an assassination attempt in May, Pastora was taken to a hospital in San José for initial treatment and was later flown to Venezuela to recuperate. ARDE political leaders headquartered in San José include Alfonso Robelo, a Nicaraguan businessman and former member of the original Sandinista junta that took power following the revolution. Robelo, who lives in a fashionable suburb of San José, was himself the target of an assassination attempt.

The split in ARDE resulted from pressures on and within the group for an alliance with the contra group operating from Honduras, the Nicaraguan Democratic Front (FDN). The pressure increased while Pastora recovered, and resulted in the eventual break between the political faction of ARDE and Pastora's troops. Soon afterward, FDN leader Fernando "El Negro" Chamorro was reported to be in northern Costa Rica, openly discussing the alliance between ARDE and the FDN and the operations from Costa Rica.⁴

Costa Rica's use once again as a base for attacks against Nicaragua is a case more of default than of design. Without the ability to secure its northern border, the Costa Rican Civil and Rural Guards cannot possibly maintain control over the activities that occur on its territory. When contra units are found by a patrol they are urged to move on, but they easily find another location to set up camp. On the other hand, Costa Rican authorities discovered a house in a suburb of San José that was being used as a hospital by ARDE and closed it down. However, while the Costa Rican government sees its neutrality as refraining from active warfare against the Sandinista government, it turns a blind eye to most contra activities inside Costa Rica unless they are flagrantly exposed in the press.

Because of the conflict between the contras and the Nicaraguan government, there have been many reported border incidents and an influx of refugees into Costa Rica. More than 16,000 refugees have been officially admitted, but the government estimates that approximately 40,000 undocumented refugees have entered the country in the past three years.⁵ Most of these refugees are Nicaraguan and only a few have been located in three refugee centers funded by the United Nations High Commissioner of Refugees and operated by Socorro International. Approximately 2,500 Nicaraguan refugees, 85 percent of whom are women and children, are located at the Tilaran camp in northern Costa Rica. A total of 228 refugees have been placed on a small farm in Buenos Aires de Osa and approximately 500 Atlantic Coast refugees are located in a center outside Limón. A joint Nicaragua-Costa Rica

border commission was established in mid-1984 to deal with problems like the illegal migration of Nicaraguans to Costa Rica, but it has not met in several months.

Costa Rica's declaration of neutrality firmly identifies Costa Rica with the political and social ideals of the Western democracies. Government officials frequently declare that Costa Rica is a military, but not a political neutral. Neutrality Costa Rican-style means that the government sees itself closely allied politically with the United States and its allies and protected militarily by participation in the Organization of American States (OAS) and the Treaty of Inter-American Reciprocity. However, since 1983, Costa Rica has received over \$18 million in military assistance from the United States to improve the level of professionalization of its Civil Guard, which is responsible under the constitution for national security.

Both the Civil Guard, which is part of the Ministry of Public Security, and the Rural Guard, which is part of the Ministry of the Interior, are politically appointed and are totally changed with every new administration. One of the first tasks of a new administration is to fill the positions of the two guards, which total nearly 8,000 men (5,000 Civil Guard and 3,000 Rural Guard). A change in administration, particularly a change from one party to another, means a complete change of personnel in the two guards. This provides no continuity in leadership and, as some Costa Ricans hasten to explain, ensures that no army can become powerful enough to play a significant role in Costa Rica's domestic politics.

This situation is changing, however. Military assistance from the United States to Costa Rica increased from \$3 million in 1983 to \$9 million in fiscal years (FY) 1984 and 1985. According to a military officer in the United States embassy in Costa Rica, the purpose of this assistance is to train the Costa Rican Guards to "talk, move and shoot." Much of the United States military assistance to Costa Rica in these two years will provide weapons, uniforms and basic field equipment. Additional United States military assistance has provided a communications system that for the first time allows contact between units anywhere in Costa Rica and in either San José or on either border; two helicopters; two Cessna 206 aircraft; 13 river launches; repairs on Costa Rica's five oceangoing vessels; and the construction of huts to house units on patrol.

No United States military assistance is transferred to Costa Rica without a direct request from the Costa Rican government at the level of the Costa Rican National Security Council. The government has requested tanks and jets, but United States policy has been to upgrade present equipment without introducing new, "inappropriate" levels of weaponry. The United States is also preparing to train a Civil Guard battalion to become a "Reaction Force for Costa Rica"; it will be comprised of four independent companies of approximately 180 men each. One of the invisible strings attached to United

⁴"Aislamiento Amenaza a Fuerzas de Pastora," *La Nación* (Costa Rica), September 7, 1984.

⁵*Mesoamérica*, vol. 3, no. 11 (November, 1984), p. 11.

States assistance is the suggestion that a trained officer corps should be maintained to provide continuity from one administration to another. If this does occur, which is highly likely, the Costa Rican claim not to have a standing army will be somewhat weakened.

The Monge administration recognizes this potential change in the institutional nature of the guard, but hastens to point out that training an officer corps does not constitute maintaining a standing army. Monge himself, however, goes on to point out that both Switzerland and Austria are neutral countries and have standing armies. The Monge administration is clearly attempting to create a professionalized defense capability without alarming the Costa Rican people.

DOMESTIC POLITICS OF NEUTRALITY

Both the Costa Rican people and ultimately the Costa Rican government openly supported the Sandinista overthrow of the Somoza dictatorship in Nicaragua. Five years later, however, the government and a majority of the people feel threatened by the war in Nicaragua, which they see as a spread of Communist influence in the region. The word "Communist" is used very loosely in Costa Rican vocabulary and the perceived threat is that of a Communist takeover of Costa Rica by the Soviet Union by way of Cuba and Nicaragua. An example of how far this perception has gone may be seen in the decision by the director of the Civil Registry to deny the registration of the Costa Rican Communist party in the upcoming national elections; he has explained that by its very name the Communist party violates the constitution.⁶

Costa Rica's neutrality doctrine has also become a political issue that clearly separates the two principal parties as they head toward the 1986 presidential election.

In July, the Chamber of Commerce approached President Monge with the claim that it had uncovered a Communist plot to destabilize Costa Rica; it insinuated that high-level government officials were involved. Shortly thereafter, Minister of Public Security Angel Edmundo Solano suggested to the press that a coup d'état might be in the making from either the Right or the Left. Solano's subsequent comments that he was only making an "April Fool's joke" did not stem the tide of public opinion that demanded presidential action. Monge's response was unique in Costa Rican history; he called for the resignation of all Cabinet ministers, ambassadors and heads of autonomous government agencies. When the dust settled, only five major positions had been changed. But included in these changes were Presidential Minister Fernando Berrocal and Minister of Public Security Angel Solano, who had been implicated in the conspiracy plan identified by the Chamber of Commerce. Both were named to ambassadorial posts, Berrocal to the United Nations and Solano to Mexico—actions that demon-

⁶"Rechazaron Inscripción del Partido Comunista," *La Nación*, October 4, 1984.

⁷Interview, San José, Costa Rica (November 15, 1984).

strated Monge's loyalty to his team members along with his acquiescence to his critics.

There may be further criticism of Monge's neutrality and foreign policy doctrines; preparations are under way for an entire year of campaigning before the February, 1986, presidential election in Costa Rica. In December, 1984, Rafael Angel "Junior" Calderón Fournier was nominated by the Social Christian Unity party (PUSC) as its candidate; this will be his second attempt in a presidential contest. Calderón ran unsuccessfully against Monge in 1982. He views the conflict with Nicaragua in simple terms that mirror closely the views of United States President Ronald Reagan. He terms the Sandinistas Communists and sees no possibility of rapprochement or a negotiated settlement between the warring factions of Nicaraguan society. In addition, he sees Costa Rica's role in the conflict as providing resolute support for United States policy which, he suggests, prevents adherence to a doctrine of neutrality. When asked what would be his first declaration as President if elected he replied, "To eliminate the word 'neutrality' from the Costa Rican vocabulary."⁷

The probable candidate of the National Liberation party (PLN), Oscar Arias Sanchez, supports the spirit of the neutrality doctrine but opposes President Monge's attempts to add the doctrine as an amendment to the constitution. The PLN has been badly split in its pre-nomination politics, with three major contenders: secretary-general of the party, Arias; Carlos Manuel Castillo, former president of the Central Bank; and Alberto Falt, who resigned the vice presidency to become a pre-candidate. At the end of November, Falt withdrew and threw his support to Arias. This virtually assured Arias of the nomination, but it also exacted from Arias a pledge to continue to support the neutrality with which Falt as Vice President was closely associated.

Regardless of their views of neutrality, however, the preelection campaigns of both parties are in agreement with the administration with respect to reservations about the Contadora proposal, the regional peace resolution that was presented to the Central American nations. There is consensus among the political groups in Costa Rica that the agreement as originally presented gives an advantage to the Nicaraguans that is unacceptable without modifications. Costa Rica was not alone in seeking modifications that would provide for control and verification of the proposed arms limitations and for explicit guarantees of democratic processes. Without these controls and guarantees, whatever level of neutrality is envisioned for Costa Rica by its political leaders is seen to be in jeopardy.

ECONOMICS OF NEUTRALITY

The health of the Costa Rican economy has suffered dramatically in recent years; Costa Rica has been directly and indirectly affected by the political instability of the region and has seen its foreign debt pass the \$4-billion

mark. A serious financial situation has been brought about by the increasing disparity between prices for its exports and its imports and the price tag paid for the expansion of the public sector financed by money borrowed from foreign sources. Thus another question may be asked: can Costa Rica afford neutrality? The answer to this question is tied directly to Costa Rican-style neutrality, which perpetuates the dependent relationship of a Costa Rica closely allied with United States and Western financial institutions. Given the amount of United States aid going into Costa Rica, the United States government does not perceive Costa Rica's declared neutrality as conflicting with the interests of the United States. Dealing with the financial crisis facing Costa Rica, therefore, President Monge's neutrality policy has not had a negative impact on relations with the United States and has been used to try to attract additional aid from European nations.

Of primary importance to the Costa Rican government has been the formulation of policies that move toward economic recovery. The Monge administration has renegotiated bilateral and commercial debt terms and has battled the International Monetary Fund (IMF) with regard to austerity measures required for further assistance. President Monge began early in his administration to renegotiate Costa Rica's foreign debt and has agreed to new terms (some of which extend well into the 1990's) for most of that debt. In the last half of 1984 Costa Ricans learned monthly of new measures being imposed by the government to control spending and to reach an agreement with the IMF. These included new taxes on over 300 basic consumer goods, including coffee, and a 200 percent surcharge tax on luxury items like automobiles and household appliances.

In addition, the colon has been devalued from 43 to 48 per dollar; still another devaluation of 3 to 5 colons is expected in early 1985, which would bring the total devaluation to between 18.6 and 23.25 percent. The agreement signed with the IMF provides \$55 million in financial assistance over the next year but carries with it the requirement that the fiscal deficit be cut from 2.5 percent to 1.5 percent of the gross national product.⁸ The final agreement is a compromise between the IMF and the Monge administration; the IMF sought an immediate devaluation to at least 50 colons per dollar and a reduction of the fiscal deficit to 1 percent of GNP.

Inflation is being reported at 14 percent, but consumers have noted price increases on many basic items ranging from 10 to 40 percent. The severity of the economic situation has required individuals and the government alike to tighten their belts. However, in December, 1984, the conspicuous consumption of the large middle class was very apparent: there were Christmas season ship-

ments of imported apples at \$2.29 a pound and grapes at \$3.35 a pound in stands on the street corners of San José, and the very latest games and toys from the United States were displayed in downtown stores at equally high prices.

Additional efforts to bring the economy under control sent President Monge to juggle political terms with the United States with regard to economic assistance and to look toward Europe for additional economic aid. It was no secret that the United States supported a change in monetary law in Costa Rica that would require dollar loans to be repaid in dollars and would allow foreign loans to go directly to private banks without being managed by both the Central Bank and the Costa Rican Development Corporation (CODESA), each of which charged a service fee (in effect reducing the loan to the individual financial institution). In September, the Ley de la Moneda (Monetary Law) was passed by the Legislative Assembly, and a \$70-million loan from the United States Agency for International Development was subsequently dispersed. Total United States economic assistance to Costa Rica in FY1984 was \$175 million, with 74 percent allocated for economic stabilization and recovery. Estimated for FY1985 is \$200 million in aid, with 80 percent allocated for economic stabilization and recovery.⁹

The Costa Rican government has also been actively seeking benefactors from Europe. Following President Monge's trip through West Europe in July, plans were made to hold an economic summit of the European Economic Community (EEC) with all the Central American nations and the members of the Contadora Group in San José in September. The foreign ministers of the EEC met and promised an increase of aid to the region from \$40 million to \$53 million annually. Many of the foreign ministers had not left, however, when United States Ambassador Curtin Winsor met with President Monge to sign for an additional \$60 million in aid to Costa Rica alone. Both United States officials and Costa Rican government officials agree that United States assistance to Costa Rica is supporting the Costa Rican economy on many levels and is likely to continue to do so as Costa Rica faces new difficulties.

The latest blow to the Costa Rican economy comes as a result of the six-week strike of the workers of the Costa Rican Banana Company, a subsidiary of United Brands, which resulted in an estimated \$700,000 in lost wages; \$12 million in lost production and exports; and \$500,000 in export taxes.¹⁰ Soon after the strike was settled, United Brands announced that it intended to close the company and end its operations in Costa Rica. This action would

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⁸*Latin America Regional Report*, November 30, 1984, p. 7.

⁹Data from United States Agency for International Development, San José, Costa Rica.

¹⁰*Latin America Weekly Report*, August 31, 1984, p. 8.

"Cuba's politics exhibit a stable and predictable character, in keeping with a political model that stresses uniformity over dissent and organization over spontaneity. . . . An occasional political confrontation with the United States is useful to Cuba, and Castro delights in Yankee-baiting. . . . But Castro is now playing for time in order to evaluate the early signals of a second Reagan administration."

Cuba's Revolution after Twenty-Five Years

BY JUAN M. DEL AGUILA

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ON its twenty-fifth anniversary, Cuba's revolutionary regime shapes up as a resilient and stable government whose authority is not effectively questioned. Led by Fidel Castro, an aging (58-year-old) *caudillo*, Cuba's national life has settled into largely conventional patterns. Much of the revolutionary fervor has dissipated with the passage of time, but the regime's proven organizational and mobilizational abilities and its performance in some social and economic areas demonstrate that it is not without popular support.

Cuba's national institutions, including the Communist party (PCC), the army (FAR), the state bureaucracy and the National Assembly, are still controlled by the Castro brothers directly or by the Castroite elite. This elite is accountable only to its own most powerful members. New cadres are moving up at the state, provincial and local levels, because of individual skills or proven political reliability, but political guidance and direction flow downward from the top.

No major internal crisis (like the 1980 Mariel exodus) or foreign policy setback (like the United States invasion of Grenada) shook up the society or the regime in 1984, yet economic difficulties persist and a new round of massive but legal migration is not improbable. Order and stability are valued over change, and "production and defense" were 1984's dominant themes. Top economic policymakers like Humberto Pérez, president of the Central Planning Junta, and Castro himself stressed the importance of improving administrative and managerial procedures in order to be more economically efficient.

Profitability and material incentives, key aspects of the System of Economic Management and Planning (SPDE) in effect since the late 1970's, are encouraged. These elements are no longer considered to be in conflict with the emergence of socialist attitudes, as was once the case. For example, saving is encouraged through institutions

like the Bank of Popular Savings, whose 400 offices serve 139 of Cuba's 169 municipalities. Simply put, the polity features stability, with continuity in the ruling elite. Some capitalist features have been introduced into what is still a centrally planned economy but, practically, the state is the only employer.

Finally, since Castro feels that "we have no right to feel confident and secure"¹ and that a United States invasion is likely, alertness and preparation for national defense occupy the population. Military exercises involving local communities are common, and the leadership feels confident that the armed forces can make any aggressor pay a high price. The prospects of United States military action against Cuba are remote, short of a strategic provocation; but the regime derives political capital from its sense of being threatened, even if such fears are greatly exaggerated. Consciously or otherwise, the regime nurtures a siege mentality, and its media monopoly allows it to propagate its views unchallenged.

THE ECONOMIC SITUATION

Commemorating the revolution's twenty-fifth anniversary in 1984 turned out to be a conventional occasion, without the festivities of previous years. Castro spoke to a small crowd gathered in Santiago de Cuba's old City Hall, standing on the same balcony from which he had addressed the nation after the revolutionary victory in 1959. The location had symbolic value because Castro's speech focused on the continuity of the revolutionary process, and on how the revolutionary movement of the 1950's was rooted in previous struggles against Spain and the United States. He reviewed the revolution's achievements in health, education, agriculture, defense and politics, and chastized the United States for its policy of unremitting hostility.² And he developed a theme to which he would return in other major speeches, namely, that while "Cuba cannot export revolution, the United States cannot prevent it."³ Subsequently, speaking to the delegates at the Fifteenth Congress of the Confederation of Cuban Workers, Castro held that "without socialism there would be no solution to the problems of the third world," or "of modern society," because these problems could only be solved when the working class is able to

¹Tad Szulc, "Entrevista con el máximo dirigente cubano," *El País* (Madrid), April 2, 1984, p. 4.

²Serious questions regarding the improvements in the literacy and infant mortality rates are raised in Nick Eberstadt, "Literacy and Health: The Cuban 'Model,'" *The Wall Street Journal*, December 10, 1984, p. 26.

³*Granma Resumen Semanal*, January 8, 1984, pp. 2-3.

assert its own interests. He also spoke of profitability, of reducing the costs of production, of increasing production qualitatively and in the aggregate and of improving services; at the congress general criticisms of the workers' limited participation in production-related decisions had been expressed.⁴

The government continues to address other problems, not always with success. Cuba's gross social product (a Soviet-style national income concept) grew 5 percent in 1983 and 28 percent between 1978 and 1983, but in some years (1980, 1982) it has fallen short of planned goals. In 1983–1984, the 13 percent shortfall in sugar production was a major setback. Some 8.2 million metric tons were produced, but around 9.5 million were needed for a successful *zafra* (harvest). The shortfall will have negative consequences for Cuba's growth in 1984, and it will affect the balance of trade and foreign exchange earnings. Sugar prices were 8.5 cents per pound in 1983, and 9 cents per pound in mid-1984. The bulk of Cuba's sugar goes to socialist countries, but Cuba needs to sell as much as possible in world markets in order to obtain hard currency.

A second concern is the external debt of \$2.8 billion, 44 percent of which is owed to 100 Western (but not United States) banks. In 1983, Cuba renegotiated that portion of the debt maturing in 1984; but its total debt is astronomical for a country of its size and resources, if one includes some \$9 billion owed to the Soviet Union. Payments to the Soviet Union are scheduled to begin in 1986, but there have been hints by Cuban officials that the Soviet Union will be asked to be flexible. Raúl León Torrás, minister-president of Cuba's National Bank (BNC), has attributed the need for a new round of negotiations to low sugar prices, high interest rates, shortfalls in the availability of credit from Western sources, and the lingering effects of high inflation rates. Torrás also lamented the International Sugar Organization's failure to reach a new agreement, because of Australia and Brazil's unwillingness to cut back on sales to the world market, and to the European Economic Community's subsidies to domestic producers. Cuba wanted to sell 2,350,000 metric tons in the world market, but must now compete in order to obtain the best price.

On the other hand, Cuba is the socialist world's principal supplier of sugar and citrus. Cuban sugar retains preferential access to the Council for Mutual Economic Assistance (COMECON) countries at prices well above the world market price, one of the ways in which Cuba's economy is subsidized by its socialist trading partners. At COMECON meetings in Moscow and Havana, Cuban Vice President Carlos Rafael Rodríguez, an able but pragmatic economist, praised COMECON's decision to "seek an equilibrium" between the more advanced socialist economies and those of Cuba, Mongolia and Vietnam. In fact, the socialist world's international divi-

sion of labor assigns to Cuba the role of supplier of sugar and citrus, in exchange for industrial and capital goods.

At the moment, Cuba supplies 25 percent of COMECON's imports of citrus. COMECON countries provide Cuba with assistance in industrial, technical and scientific endeavors; these exchanges are part of Cuba's integration into COMECON, which began in 1972. Specifically, COMECON aids Cuba in the production of nickel and cobalt and in the construction of a nuclear power station. One nickel plant at Punta Garda, built with Soviet assistance, began production in 1984 after long delays; a second one is to be built with COMECON's assistance. Castro's son, Fidel Castro Díaz-Balart, heads Cuba's Atomic Energy program and regularly travels abroad with technical delegations and commissions.

But Cuba has not always met its obligations to COMECON. For instance, speaking to delegations during the thirty-ninth meeting of COMECON, Castro blamed inclement weather, enemy activities (allegedly, plagues that the United States Central Intelligence Agency [CIA] and other "enemies" introduce into Cuba), and limitations on Cuba's own resources for its failure to deliver all its exports to COMECON.⁵ Castro pledged that Cuba would work to eliminate these negative elements by improving its planning system. Subsequently, Cuba signed a bilateral agreement on economic collaboration with the Soviet Union, which will provide Soviet assistance to Cuba's food, textile, electronics and mechanical industries. The agreement, signed by Castro and Soviet Prime Minister Nikolai Tikhonov in October, 1984, sets the parameters for bilateral collaboration until the year 2000.

Cuba signed additional agreements in technical and scientific areas with Bulgaria and East Germany; a commercial protocol was signed with Romania to expand foreign commerce. In the political field, a Treaty of Friendship and Collaboration was signed with Mongolia. All told, Cuba has signed 70 collaboration agreements with COMECON countries since 1972, and its structure of foreign commerce is well integrated with socialist bloc economies.

Trade with nonmarket economies amounts to 12–13 percent of Cuba's total trade, yet whenever possible Cuba does business with capitalist countries like Japan, Spain and Argentina. For instance, the Cuban and Argentine Chambers of Commerce signed agreements on finance, foreign commerce, fishing and economic relations. A \$400-million package was signed with Mexico covering technology transfers and sales of heavy equipment, along with an agreement on sugar. In 1983, Cuban–Mexican trade totaled \$60 million, with Mexico running a favorable balance of \$10 million. In addition, a program with Spain provides for an exchange of specialists in public health, tourism and rail transportation; a protocol of collaboration was also signed. Cuba hopes to expand its sugar sales to Japan, following Japan's purchase of

⁴*Granma Resumen Semanal*, March 11, 1984, p. 5.

⁵*Granma Resumen Semanal*, November 11, 1984, p. 5.

550,000 metric tons in 1983. Cuba's exports to market economies totaled \$594 million in 1983, compared to \$4.6-billion worth of sales to socialist countries.⁶

In domestic agriculture, the process of *cooperativización* (establishing farm cooperatives) continued, reducing the land held privately. On the twenty-fifth anniversary of the agrarian reform law, Castro indicated that 56 percent of all farmland had been organized in 1,457 cooperatives. When state farms and cooperatives of rural producers are included, nearly 90 percent of all farmland is under state control; the goal is to reach the complete socialization of farmland in the next several years, but difficulties remain.

In sum, growth has been satisfactory in the early 1980's, but shortfalls in the 1983–1984 harvest may affect it during 1984 even though preliminary figures look strong. Sugar continues to dominate domestic production and foreign trade, and Cuba is locked into long-term obligations to COMECON. Earnings from sugar sales in the world market fluctuate according to world supplies and competition from other producers, but most earnings in nonconvertible currency come from trade with socialist countries. Cuba's principal imports are still petroleum, machinery, heavy equipment, advanced technologies and other industrial and commercial inputs. Financially, the country is deeply in debt, but so far it has been able to renegotiate its short-term commitments. If sugar prices do not improve and negotiations with the Soviet Union fail to relieve Cuba of its upcoming financial burdens, Cuba's ability to import from capitalist economies will be reduced and its credit rating among Western banks will worsen.

NATIONAL POLITICS

Cuba's politics exhibit a stable and predictable character, in keeping with a political model that stresses uniformity over dissent and organization over spontaneity. Discipline and revolutionary militancy are valued; apathy and noninvolvement are discouraged. Values have been thoroughly secularized, and Marxism–Leninism offers the only legitimate inspiration for educational, cultural and artistic works.

National and local institutions maintain the functional and administrative differentiation necessary for continued order; the process of building socialist consciousness is now deemed to require an adequate material base. Cuba's Communist party is the only party allowed under law, and it is constitutionally enshrined as the vanguard organization. It now has 482,000 members, some 4.8 percent of the population, and it continues to grow slowly. The party's top organs are controlled by the Castroite elite; two vacancies in the Political Bureau will probably be filled after the 1985 PCC congress. The party's hegemony is unchallenged.

Party members are found at all levels of government

and society, in the armed forces, and in international contingents serving abroad. Mass organizations like the Committees for the Defense of the Revolution (CDR's) with 6,100,000 members, the Federation of Cuban Women (FMC) with 2,692,000 members, and the Confederation of Cuban Workers (CTC) with 2,660,000 members, provide the organizational backbone of the regime. In no way do these organizations constitute pressure groups, nor are they representative of "influential" sectors of national life. Rather, key decisions are made without open, public consultation, even if discussion of local concerns or national problems takes place. This is particularly the case in foreign policy matters; a few decisionmakers, especially Fidel Castro, make the binding judgments on issues of security, war and peace.

Membership in the relatively new Territorial Troops Militia (MTT) is now over 1 million men and women; the MTT was created three years ago in order to strengthen national defenses because of the perceived threats from the administration of United States President Ronald Reagan. No invasion has taken place, nor is one likely to occur, but the MTT now complements Cuba's 225,000 regular forces. In addition, Castro and other leaders have stressed defense preparedness in major speeches; on occasion, elements of the regular forces go on alert. Raúl Castro is minister of the armed forces and second only to Fidel Castro in the political hierarchy. All told, the country finds itself in the midst of a war and siege mentality, constantly ready to repel aggressors. Castro has spoken of a "protracted and bloody struggle" against any invader—it could only be the United States—and of how many troops it would take to occupy Cuba.

It is hard to judge the impact that such rhetoric has on the average Cuban, who has listened to it for 25 years. It is often claimed that Castro's strident anti-Americanism is meant to bolster national resolve and to promote national unity, and that it is therefore justified. Because some United States policymakers themselves do not refrain from rhetorical statements, it is held that Castro is only being prudent in issuing public warnings. And yet Cubans can become cynical when the regime's purposes become clear and when Castro's own warnings never materialize.

A minor crisis shook up the military in midyear when many of the "Heroes of Grenada" were stripped of their rank and sent to Angola for rehabilitation. Among those who lost their rank was Colonel Pedro Tortoló, who had been dispatched to Grenada in October, 1983, just before the United States invasion. Tortoló reportedly sought refuge in the Soviet embassy; in the eyes of the leadership, his performance and that of 45 other officers left much to be desired.⁷ In the end, they were accused of negligence, of not following orders, and of poor coordination during the invasion. Former Cuban Ambassador to Grenada Julián Torres and Oscar O. Cárdenas, at the time ambassador to Suriname, have also fallen into disfavor. There is little doubt that Cuba's diplomatic and intelligence ser-

⁶*Caribbean Report*, January 20, 1984, p. 2.

⁷"2 Cubans Involved in Grenada Drop Out of Sight," *The New York Times*, May 14, 1984, p. A8.

vices performed badly during the crisis; in fact, Castro conceded that "our biggest criticism against our political staff, our diplomatic staff and our military-cooperation staff" was that "they had absolutely no idea what was happening."⁸ The performance of Tortoló and his officers casts a blemish on the military, an institution that takes pride in its service to the nation and in its role in international missions. At least for this group, serving in Angola constitutes punishment, rather than a reward.

Honorific titles were conferred on two of Cuba's top generals, Abelardo Colomé and Arnaldo Ochoa; respectively, they once led Cuban troops in Angola and Ethiopia. Both are generals of division, the FAR's highest rank, and they sit on the PCC's Central Committee. They are now Heroes of the Republic of Cuba for their distinguished service at home and abroad. It is not inconceivable that these honors were conferred by the political leadership in anticipation of the military's subsequent embarrassment. Still, the military is fully integrated into the structure of power, and there is no evidence of any "rumbling in the ranks." It is a prestigious institution, with political influence; two other top generals, Sixto Batista and Senén Casas, are alternate members of the Political Bureau.

Elections for representatives to the Organs of Popular Power (OPP) took place in 1984, in keeping with constitutional procedures that limit the tenure of local deputies to two and one-half years. OPP are basically municipal councils charged with a variety of political and administrative duties. OPP also monitor the quality of local services. Out of 23,099 nominees, 10,963 delegates were elected, who will in turn elect 1,377 delegates to Cuba's 14 provincial assemblies. Ninety-seven percent of those registered to vote did so, but nonvoting is politically risky. The PCC is in full control of the selection, nomination and "campaign" processes.

A campaign to improve the quality of press coverage is under way; its goal is to highlight the press's role in criticizing shoddy work, administrative negligence, labor indolence and political apathy. Some view the state-controlled press as uninformative and uncritical, not paying enough attention to the cultural needs of the people. For example, *Granma's* director, Jorge E. Mendoza, called on workers to "help us in the task of revolutionary criticism," and in doing so, fulfill their civic duties.⁹ But some issues are off limits to public criticism, namely the socialist framework, the leadership and its conduct, foreign policy matters and basic laws. Consequently, the press operates under severe restraints, and the public remains ill-informed, with its views shaped almost exclusively by official criteria and Marxist-Leninist dogma.*

Finally, during its sixth ordinary session, the 499-member National Assembly (1981-1986) focused its de-

bates and investigations on domestic matters, as is the legislative norm. Its discussions included plans to help the elderly; measures to ensure proper care for women and children; school dropout rates and how they affect youth labor programs; and the state of monitoring activities at the local level. The Assembly also approved the reports of several ministries and the final accounting of the 1983 budget. The state of the food industry was reviewed, and Castro, who is a Deputy (and president of the Council of State, the Assembly's executive committee), wondered why the quality of bread, a persistent problem, had not improved. More worrisome are a persisting dropout rate of 14-15 percent among 13 to 16-year-olds (the rate is higher among girls than among boys), and the fact that some graduates from secondary and technical schools do not find jobs. Demand for some occupations (trades, technical) and fewer opportunities in other areas account for some of the unemployment among youth. In its assessment of the national economy, the Assembly indicated that a 5 percent growth rate was expected in 1984; later figures suggested that it might be slightly higher.

In no way can these brief sessions twice a year be characterized as dynamic occasions in which alternative policies are vigorously discussed. Nor is the Assembly a forum for criticism of the political leadership, although on occasion a minister or a bureaucrat is called on the carpet. When Castro is present, he overshadows all other participants, and his views are never challenged. Routine matters of public administration take up much of the deputies' time; votes are unanimous or nearly so. Cuba's National Assembly is not the place to look for independent legislators; in that sense, the Assembly functions exactly as it is intended to do. It is a subordinate institution, and all 499 of its deputies are party members.

In sum, institutions like OPP and the National Assembly provide a forum where indirect accountability is exercised, but where party controls stifle the expression of dissenting views, assuming that such views exist. Regularity and predictability characterize Cuba's political-institutional process, and major decisions are made in a manner that isolates top policymakers from public pressure. Cuba's socialist system preserves the immunity of the political elite.

FOREIGN RELATIONS AND REGIONAL POLICIES

Cuba's engagements in Africa, its interests in the Caribbean Basin, and its competition with the United States form the core of its foreign policy agenda. Without a security treaty with the Soviet Union, which would be Cuba's most coveted goal, the regime must constantly weigh its options carefully, even if the margin for miscalculation expands or contracts depending on the intensity of the East-West struggle. In fact, Castro reminded Soviet President Konstantin Chernenko that "we, here in this remote part of the world, far away from the center of the socialist community" are ready to defend ourselves,

**Granma* is the Communist party's official newspaper.

⁸"Castro's Challenge to Reagan," *Newsweek*, January 9, 1984, p. 39.

⁹*Granma Resumen Semanal*, March 4, 1984, p. 4.

but still feel a need for protection. Yet Cuba, isolated but less vulnerable than the regime would like one to believe, is often able to capitalize on targets of opportunity that would not appeal to a less intrusive actor.

Cuba maintains between 25,000 and 30,000 troops in Angola and between 12,000 and 14,000 in Ethiopia; some 2,000 military advisers along with 8,000 or so civilians are stationed in Nicaragua. Smaller contingents that include technical, professional and health service personnel serve in several African countries and in a few Arab states. Brigades of doctors and teachers currently work in Guyana, where Cuba has agreed to build and staff a medical school. Thousands of young men and women from a number of other third world countries have received education and training in Havana, including 15,430 students from Angola. For Cuba, such transactions are matters of foreign policy, because human capital is a valuable resource.

Third world leaders regularly visit Cuba; in recent years Europeans like France's Foreign Minister Claude Cheysson, Spain's Foreign Minister Fernando Morán, and (in October, 1984) former West German Chancellor Willy Brandt have also visited. Cuban delegations travel regularly in East and West Europe, and maintain contacts with ruling and nonruling Communist parties. Nicaragua's Sandinista officials make frequent trips to the island, and on their way back from Soviet President Yuri Andropov's funeral, Castro and Nicaraguan junta leader Daniel Ortega stopped in Madrid and paid a call on Prime Minister Felipe González. In 1984, Flight Lieutenant Jerry Rawlings of Ghana, Captain Thomas Sankara of Burkina Faso (formerly Upper Volta), José E. dos Santos of Angola, and Guyana's Forbes Burnham, all heads of state, paid official visits. In short, Havana is not out of the world's diplomatic path, and these visits bring political dividends.

Once perceived as armies of liberation, Cuba's African contingents serve Cuba and the Kremlin's geopolitical interests. The Marxist governments of Angola and Ethiopia rely on them for political and military support and cannot dispense with Cuban troops without risking their own survival.

Cuba and Angola issued a joint communiqué in March, 1984, stating the conditions that must be met before a gradual pullout of Cuban troops from Angola can begin. The conditions are: 1) South Africa's unilateral withdrawal from southern Angola; 2) adherence to United Nations Resolution 435, establishing the terms for Namibia's independence; 3) an end to attacks against Angola by South Africa and its allies; and 4) a cutoff in assistance to Jonas Savimbi's right-wing UNITA (National Union for the Total Liberation of Angola) forces. These terms hardly differ from the terms issued in 1982.

Subsequently, Angola proposed that the first Cubans would leave when only 1,500 South African soldiers remained in Namibia; President dos Santos is reportedly seeking a four-party agreement among South Africa,

Angola, Cuba and the Southwest Africa People's Organization (SWAPO) to guarantee the transition in Namibia. Cuba and Angola have consistently refused to link the issue of Namibia's independence to a pullout of Cuban troops from Angola, but the Western countries insist that a broad diplomatic settlement must include a timetable for Cuban withdrawal. At this point, the situation is stalemated; some reports suggest that the Angolan government and its Cuban allies are a long way from eliminating the internal threat posed by UNITA's guerrillas.

In the wake of the United States invasion of Grenada, divisions emerged among leftist, socialist and Communist parties in the Caribbean, divisions that stemmed from Cuba's behavior at the time Prime Minister Maurice Bishop's New Jewel Movement (NJM) was disintegrating. Some of these groups believed that Cuba could have prevented the split in the NJM; others believed that it could have done more to defend the Grenadian revolution, even if Bishop was murdered by members of the NJM. In fact, Cuba was criticized by the pro-Soviet Jamaica Workers party (WPJ) at a meeting in Guyana, but was able to avoid a major split among the region's leftist forces. A measure of unity was restored at a subsequent meeting in Havana of the anti-imperialist organizations of Central America and the Caribbean, which was attended by the WPJ, the Dominican Communist party, Nicaragua's FSLN (Sandinista Front for National Liberation), the FMLN-FDR (Farabundo Martí Liberation Front — Democratic Revolutionary Front) from El Salvador, the newly formed Maurice Bishop Patriotic Movement (MBPM) and other leftist parties. The parties condemned Bishop's execution, singled out Cuba, Nicaragua, Suriname and Guyana as victims of United States aggression, and thanked the PCC for hosting the meeting. All told, Havana appears to have restored its image among revolutionary groups, who are nonetheless sobered by the fratricidal warfare that destroyed the NJM.

Guyana, along with Trinidad and Tobago and the Bahamas, denounced the United States invasion of Grenada and has found common interests with Cuba. The two governments agreed to collaborate on labor-related issues and a barter deal involving Cuban cement in exchange for Guyanese rice. Cuba is planning to help President Forbes Burnham's government in the training of new political cadres. In an interview with *Granma* in April, 1984, Burnham stated that "in this stage we are deepening our cooperation," and was otherwise critical of United States regional policies and supportive of the Sandinistas and the FMLN-FDR.

(Continued on page 133)

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In the Caribbean, where "economic growth, social justice, and environmental protection are compatible in principle but not yet in practice. . . . the primary response to frustrated expectations remains emigration."

Caribbean Realities

BY AARON SEGAL

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THE Caribbean is perhaps the most fragmented region in the entire world; more so even than the Indian Ocean or the Middle East. Such is its fragmentation that there is no standard geographic definition of the region, and three conflicting definitions are currently making the rounds.

A favorite definition in some Washington policy circles is the Caribbean Basin: the 30 countries and 150 million people (not including the United States) that share a Caribbean Sea shoreline. Although the Caribbean coasts of the four Central American states have populations with strong Afro-Caribbean cultural heritages, they constitute less than 5 percent of the total Central American population. Cuba is the only Caribbean state with extensive contacts in Central America; Venezuela is the only Basin state with active economic and cultural links among the Caribbean Islands. The Caribbean Basin is a meaningful term only to the extent that the United States government bases its political, economic and military policies on this notion, and is able to convince other governments to accept it.

The islands of the Caribbean Sea constitute another widely used definition. Extending from the Bahamas in the north down a 2,500-mile archipelago to Trinidad and Tobago just 7 miles from the coast of South America, the island definition comprises 22 countries, hundreds of islands of all sizes, and about 28 million people. Colonized and governed by the British, French, Dutch, Spanish, Danish and Americans, the islands are divided by miles of open water and language, economic and communications ties to present and past colonizers.

A broader geographic definition is based on a culture-area concept. It includes all the islands of the Caribbean plus the culturally related mainland societies of Belize in Central America, and Guyana, Suriname, and French Guiana along the northern tip of South America. The culture-area definition embraces 26 countries and about 30 million people who share commonalities of plantation

slavery histories, racial and cultural pluralism and stratification, the use of European and Creole languages, smallholder tropical agriculture, extensive twentieth century emigration, and other features.¹

A more cohesive definition sees a "core Caribbean" in the 13 recently independent British colonies with a total population nearing six million. The Commonwealth Caribbean, known also as the West Indies, maintains a Caribbean Community (CARICOM) with a secretariat, a preferential trading area, a Caribbean Development Bank based in Barbados, and a shared University of the West Indies with major campuses in Barbados, Jamaica, and Trinidad.² Although it is split by political and economic disagreements, CARICOM remains the most significant subregional organization. Seven of its smaller and poorer members have also formed the Organization of Eastern Caribbean States (OECS). At the Pan-Caribbean level, there are several academic and professional organizations but no umbrella political body.

These geographical differences reflect a region still in pursuit of political order. At the end of 1984, 4.5 million residents of the Caribbean are citizens of a non-Caribbean state: 3.45 million Puerto Ricans are United States citizens; 750,000 Guadeloupeans, Martinicans, and French Guyanese are citizens of France, and 250,000 residents of the six islands of the Netherlands Antilles Federation are citizens of the Netherlands. Several thousand residents of the Caymans, Turks and Caicos, and British Virgin Islands are still British subjects in spite of the massive British withdrawal from the region.

Evidence suggests that the limits of decolonization may have been reached for the time being. Election after election reveals Puerto Ricans bitterly divided over statehood versus the current "free associated state" relationship with the United States, and there is little support for independence. The pro-Commonwealth forces won the island governorship in November, 1984, by 50,000 votes after two terms out of office. Having achieved departmental status and benefits in 1946, a majority of French Antilleans continue to oppose independence and the bomb attacks of a splinter pro-independence group. Nor have they warmed to the efforts of French Socialist President François Mitterrand to promote greater autonomy in the overseas departments, which are heavily subsidized. The Netherlands Antilles has also opted to con-

¹Sidney W. Mintz, *Caribbean Transformations* (Chicago: Aldine, 1974); Roberta Marx Delson, ed., *Readings in Caribbean History and Economics*, Vol. I (New York: Gordon and Breach, 1981), section I; Aaron Segal, "Collecting the Caribbean," *Caribbean Review*, vol. 12, no. 2 (Spring, 1984), pp. 29-32.

²Trinidad refers to Trinidad and Tobago. Anthony P. Gonzales, "The Future of CARICOM," *Caribbean Review*, vol. 13, no. 4 (Fall, 1984), pp. 8-12.

tinue its loose tie with the Netherlands, fearing that independence might result in the breakup of its six-island population of 250,000 and in the formation of new ministates.³

Three Caribbean states—Cuba, the Dominican Republic and Haiti—have been formally independent throughout the twentieth century, yet their political institutions remain weak and their political order is highly personal. Although each has achieved a strong sense of national cultural identity, much less has been attained by way of widely accepted political legitimacy and procedures for orderly citizen participation.

Cuba enters its twenty-fifth year as the only officially Communist state in the Western Hemisphere, closely aligned politically, economically and militarily with the Soviet Union.⁴ Yet President Fidel Castro, now 58 years old, completely dominates the political scene. The Cuban Communist party, the many vanguard organizations at national, local and neighborhood levels, the adherence to Marxist-Leninist doctrine, and all significant domestic and foreign policy decisions remain subordinate to the "Maximum Leader," whose personality and will animate all Cuban institutions. No other national leader has remained so long on the world scene, and Cuban communism remains à la Castro, with intense elements of Caribbean-style "caudillo" charismatic leadership. Ten million Cubans are urged to participate in a welter of workplace, school, residential, professional, paramilitary and military organizations that function much more as vehicles for transmitting Fidel's decisions than as outlets for discontent and suggestions.

Haiti, which covers one-third of the island of Hispaniola with nearly six million people, is an even more curious personalistic dictatorship.⁵ The Duvalier family, father and son, has held the presidency since 1958; at age 19 the son succeeded on the death of his father in 1971. Relying on a personal entourage, extensive government concessions and franchises to the privileged few, and several layers of military and paramilitary forces including the street toughs of the Tonton Macoute, the Duvaliers have retained power in the face of several exile invasion attempts and considerable internal discontent. Father and son have carefully manipulated public opin-

ion, played off traditional factions and forces, and coopted as well as repressed. Weakly institutionalized by referendum as "Presidents for Life" with a hand-picked Parliament and most of their opposition in exile or jail, the Duvaliers have stayed in power longer than any other rulers in Haiti's turbulent history since the revolution led to independence in 1804. Yet they have neither created nor encouraged any political institutions; they have rejected all forms of popular participation and have perpetuated a legacy of personal rule in the poorest country in the Western Hemisphere.

With a population over five million, the Dominican Republic occupies two-thirds of Hispaniola and has suffered a painful transition from personal dictatorship (Leonidas Trujillo, 1930–1962) to the wobbly beginning of institutionalized democracy. The highly controversial United States intervention in 1965 set in motion or accelerated a series of forces that have changed the Dominican political scene. The semi-authoritarian presidency of Joaquín Balaguer (1966–1978) was accompanied by rapid economic development, an expansion of the middle classes, and a reduction of the ideological polarization of the major political parties. Both in 1978 and 1982, hotly and openly contested elections were won by the moderate-left Dominican Social Democratic party (PRO); these marked the first peaceful transfer of power in the history of the country.⁶

The Dominican Republic struggles with a fragile and slumping economy, widespread unemployment and underemployment, and massive social inequities, which resulted in April, 1984, in riots that left 65 dead, the worst violence since the 1965 civil war. Still the press remains free, the elections are open, and respect for political democracy is widespread; the military remains firmly on the sidelines. A corner has been turned in the effort to establish political order but the road ahead remains treacherous; the country's difficulties were underlined by the 1982 suicide for personal reasons of President Antonio Guzmán and by the 1984 riots.

If political order in the older independent Caribbean still often smacks of the "man on horseback," its fragility in the newly independent ex-British and Dutch colonies has other roots. The question remains whether parliamentary democracy implanted during a lengthy colonial period can respond to the conflicts of multiethnic and multiracial societies deeply divided and wrenched by economic and social frustrations. The verdict to date is mixed.

Guyana, Suriname and Grenada have each at one time rejected parliamentary democracy. Since its independence in 1966, Prime Minister Forbes Burnham has continuously governed Guyana through electoral fraud and manipulation, intimidation of the opposition, and nationalization for patronage purposes of much of the stagnant economy.⁷ The "People's Cooperative Republic" serves as a facade whereby Burnham's largely urban followers of African descent dominate the rural East Indi-

³More detailed discussions of the politics of individual Caribbean countries are available in Jack W. Hopkins, ed., *Latin America and Caribbean Contemporary Record, 1981–1982* (New York: Holmes and Meier, 1983).

⁴See the article on Cuba in this issue. Also Carmelo Mesa-Lago, *The Economy of Socialist Cuba* (Albuquerque: University of New Mexico Press, 1983).

⁵Brian Weinstein and Aaron Segal, *Haiti: Political Failures, Cultural Successes* (New York: Praeger, 1984).

⁶Ian Bell, *The Dominican Republic* (Boulder: Westview, 1982); Howard J. Wiarda and Michael J. Kryzanek, "The Dominican Republic," in Hopkins, op. cit., pp. 544–553.

⁷George Danns, "Decolonization and Militarization in the Caribbean," in Paget Henry and Carl Stone, eds., *The Newer Caribbean* (Philadelphia: Institute for the Study of Human Issues, 1983), pp. 63–94.

ans, descendants of nineteenth century indentured laborers recruited from India after the abolition of slavery.

Suriname, which borders Guyana, has a complex multiethnic population of 360,000 people of African, Indian and Javanese origins, the result of Dutch colonial plantations and policies. Nearly one-third of the population took advantage of the independence offer of dual citizenship to move to the Netherlands. Since then, ethnically tense coalition governments have been replaced by a brutal and repressive military dictatorship headed by Colonel Desi Bouterse.⁸ Dutch aid has been suspended; the bauxite-based economy is sick; and intimidation and even the murder of the opposition has been practiced. After the United States invasion of Grenada in October, 1983, the Suriname military regime sharply reduced its ties with Cuba and renewed a search for some form of political legitimacy, including possible parliamentary elections. Dutch observers remained skeptical, and Surinamese exile groups are active.

GRENADA

The Eastern Caribbean island state of Grenada was reluctantly pushed into independence by a weary Britain in 1974 after the failure of several inter-island federations and the rejection by neighboring oil-rich Trinidad and Tobago of a proposed union. Prime Minister Eric Gairy relied on coercion and intimidation to retain power until a 1979 coup led by London-educated lawyer Maurice Bishop overthrew him. The Bishop regime rejected formal parliamentary democracy and elections in favor of Cuban-style mass consultations and a vanguard party. Cautious in its economic policies for a society of 110,000 who were dependent on tourism, spices and remittances from thousands of Grenadan emigrants, the Bishop regime embraced Cuba politically, cultivated the Soviet Union, and denounced United States imperialism. Yet Bishop kept Grenada in CARICOM and the Organization of Eastern Caribbean States although all the other West Indian leaders except Guyana's Burnham denounced Grenada's failure to hold elections after the 1979 coup. Similarly, Bishop obtained Cuban aid and assistance for a new airport, a long-standing Grenadan goal; but he also received funds from the European Community and other sources.

The assassination of Bishop and his closest associates on October 19, 1983, almost certainly grew out of an internal party dispute after months of quarreling between hard- and soft-liners.⁹ It posed the threat of a civil war, violence to the lives of American medical students and

⁸Edward Dew, "Suriname Tar Baby," *Caribbean Review*, vol. 12, no. 1, pp. 4-8.

⁹The United States Department of Defense released excerpts from New Jewel party documents captured during the invasion, which provide a record of intraparty disputes. See "The Alienation of Leninist Group Therapy," *Caribbean Review*, vol. 12, no. 4 (Fall, 1983), pp. 14-17.

¹⁰Carl Stone, "Decolonization and the Caribbean State System: The Case of Jamaica," in Henry and Stone, op. cit., pp. 37-62.

other foreigners in Grenada, and further instability in the unstable Eastern Caribbean. The United States responded by dispatching 7,500 troops and an amphibious task force. The resistance of mostly Cuban workers was overcome, United States and other nationals were evacuated, and the Grenadan political scene was transformed.

One year and six weeks after the United States invasion, former Prime Minister Herbert Blaize, a 66-year-old moderate, swept 14 of the 15 seats for his party in the first elections in Grenada since 1974. Blaize benefited from massive United States economic aid (including the completion of the Cuban-begun new airport), widespread Grenadan relief at the removal of the rhetorical Bishop regime and its sanguinary assassins, and a preference for ballots over bullets. A handful of United States and West Indian military and police remain in Grenada to provide security after an invasion requested by the OECS and endorsed by most West Indian leaders.

Although parliamentary democracy has been restored to Grenada, it remains to be seen whether it can work. Former Prime Minister Gairy has returned from exile and continues to stir the political pot. Supporters of the slain Maurice Bishop are busy creating a myth about his five years in office. More important, Grenada remains a defenseless minstate with a pitiful economy and a sharp division between the mostly black, creole-speaking folk population, and the political elites.

Elsewhere in the Caribbean, parliamentary democracy has remained intact although it was frequently buffeted after independence. Most successful is Barbados, with two firmly entrenched political parties, the regular transfer of power through elections, and a track record of luring light industry for export, extending tourism and achieving political stability and steady economic growth.

With a rapidly growing population of over two million, Jamaica has experienced intense political conflict and widespread violence, while retaining elected governments.¹⁰ The island is deeply polarized between the leaderships, parties, and trade unions led by socialist former Prime Minister Michael Manley (in office from 1972-1980) and pro-Washington Prime Minister Edward Seaga, elected in 1980 and reelected in an election boycotted by the opposition in a dispute over the electoral roll. Drastic swings in political and economic policies have shaken Jamaica for a decade, leading to the emigration of thousands of professionals and causing severe economic damage.

The Manley regime developed close economic and political ties with Cuba, which ended when Seaga came to power. Unemployment and underemployment, capital flight, and racial and social discontent continue to plague Jamaica, whose political system and traditions are democratic but whose politics are often those of personality.

With a population of 130,000, divided between individuals of West Indian and Latin origin, Belize stepped into independence in 1981 with a British military guarantee and presence against the territorial claims of Guate-

mala. While Belize has limited economic ties to the rest of the region, it participates actively in CARICOM, the University of the West Indies, and other subregional organizations. Having steered Belize for 25 years in the face of persistent political challenges, Prime Minister George Price enjoys close relations with many West Indian leaders. The first postindependence elections in December, 1984, produced a sweeping victory for the opposition.

Elsewhere, the independent ministates of the Commonwealth Caribbean—Antigua, Bahamas, Dominica, St. Kitts and Nevis, Monserrat, St. Lucia, St. Vincent—continue to hold elections, argue in Parliaments, respect free speech, and shudder at events in Grenada. United States support has been committed for an OECS defense force, a response to the minimal security capabilities of these governments.

THE ECONOMIC CRISIS

Political order remains shaky in the midst of a profound economic crisis throughout much of the region. The crisis is compounded by the staggering increases in imported energy prices since 1973 (only Trinidad is an oil producer), the growing burden of external debt, low prices for traditional exports like bauxite, and the permanent decline of sugar, the economic mainstay of the Caribbean for four centuries. Declining consumption, world market prices below production costs, and increasing competition from corn-based sweeteners threaten the future of sugar everywhere except in Cuba, which barter much of its production for Soviet and East European goods.¹¹ Added to the crisis in the export sector is the persistently low productivity and output of smallholder tropical agriculture, which require the Caribbean countries to import food and fuel. Tourism from North America and West Europe has begun to revive since the 1980–1982 recession, but tourism is highly seasonal and volatile.

Response to the economic crisis has largely taken the form of seeking increased external aid and trade. In 1983, the United States administration of Ronald Reagan guided through Congress the Caribbean Basin Initiative, which provides 12 years of duty-free entry to the United States market for many actual and potential exports.¹² Exempted were rum, textiles and other products already produced in Puerto Rico. Industrialization for export is to be combined with tourist promotion, foreign investment and soft loans for agriculture. Tried and proved inadequate, this formula nonetheless has few intellectual com-

¹¹"The Sugar Industry's Slide," *The New York Times*, December 7, 1984.

¹²See the article on United States policy in this issue.

¹³Rosemary Brana-Shute, ed., *A Bibliography of Caribbean Migration* (Gainesville: Center for Latin American Studies, 1983); *Caribbean Review*, vol. 11, no. 1 (Winter, 1982); a special Caribbean exodus issue will appear in revised book form by Barry Levine, ed., *The Caribbean Exodus* (New York: Praeger, forthcoming).

petitors in view of the failure of nationalization in Guyana and Jamaica. Even the Cuban government has borrowed \$2.5 billion from Western banks, and has passed legislation authorizing joint ventures with capitalist firms, especially in tourism.

The economic crisis is aggravated by the inherent characteristics of these small, open, island societies. Their ecologies are fragile and vulnerable and need careful protection from oilspills in the world's most frequented tanker routes; they suffer coral reef and beach erosion, hurricanes, and other risks. The importance of environmental protection has been recognized in regional and subregional meetings and at the national level. However, Caribbean states lack the human, financial, and technical resources to carry out effective environmental policies.

Caribbean societies have glaring social and economic inequities. Cuba and Guyana have opted for the massive redistribution of existing wealth and services at the expense of economic growth. Former Prime Minister Manley declared that if everyone cannot be rich in Jamaica then it is better for everyone to be poor. Under Bishop, Grenada attempted a number of redistributionist measures. Elsewhere, the belief prevails that rapid economic growth will generate improved distribution through jobs and more public services. There is evidence from Barbados, Puerto Rico and Trinidad that growth does trickle down in various ways, although major inequities remain.

However, in much of the Caribbean there has been neither growth, nor trickle down nor redistribution. In literate societies, with 40 percent of the population under 15 years of age and education readily available, the result is a crisis of expectations. The ideological Left recruits on the basis of these frustrated expectations, which are also fed by racial and ethnic tensions. The fundamental problem, however, is that economic growth, social justice, and environmental protection are compatible in principle but not yet in practice.

EMIGRATION

Instead, the primary response to frustrated expectations remains emigration.¹³ Between 1950 and 1984, nearly 10 percent of the total population of the Caribbean permanently emigrated, the largest emigration from any region of the world. Nearly four million individuals of Caribbean origin and their offspring now live in the United States, Canada, France, the Netherlands, and the United Kingdom. Eighty percent of the diaspora lives in New York City, Miami, Toronto, Montreal, Paris, Amsterdam and London and has brought to these cities carnivals, calypso, reggae, salsa music, and other features

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BOOK REVIEWS

ON LATIN AMERICA

POLITICAL CHANGE IN CENTRAL AMERICA: INTERNAL AND EXTERNAL DIMENSIONS.

Edited by Wolf Grabendorff et al. (Boulder, Colo.: Westview Press, 1984. 312 pages, notes and index, \$16.50.)

European, American and Latin American scholars analyze the causes of the crises in Central America, the problems and prospects for regime transformation in the area, and the strategies and interests of the international actors who have taken an active role in the region. The book is an outgrowth of two international conferences sponsored by the Friedrich Ebert Foundation in Bonn.

Mary M. Anderberg

PUERTO RICO: A COLONIAL EXPERIMENT. *By*

Raymond Carr. (New York: New York University Press, 1984. 477 pages, notes, readings and index, \$25.00.)

A distinguished English scholar reviews the troubled relations between the United States and Puerto Rico from 1898 to the present and offers a detailed study of Puerto Rican politics from the 1980 election to early 1982. The author believes that Puerto Rico's most immediate problem is its deteriorating economy, not the state of its political relations with the United States.

M.M.A.

ARAB-LATIN AMERICAN RELATIONS: ENERGY, TRADE, AND INVESTMENT. *Edited by Fehmy Saddy.* (New Brunswick, N.J.: Transaction Books, 1983. 143 pages, notes and index, \$29.95.)

The nine contributors to this survey of developing Arab-Latin American relations include Arab and Latin American scholars, diplomats, bankers, business executives, and officials of international agencies.

Fehmy Saddy describes how the impetus for close Arab-Latin American relations resulted from two events: (1) in 1972, Saudi Arabia, Egypt, Syria and Lebanon sent their foreign ministers on a tour of Latin American countries to gain support in the United Nations (UN) for the withdrawal of Israel from occupied Arab lands; (2) in 1973, the Arab oil embargo and the Arab unilateral fourfold increase in the price of oil demonstrated the dependence of the West on foreign oil imports and brought into question previous perceptions of the world economic order.

After the oil embargo, the Latin American countries began to coordinate their positions on various international issues with the African, Asian, and Arab countries, particularly in UN conferences on international economic cooperation, the law of the sea, trade and development, and the North-South dialogue.

Two articles in this study trace the circumstances leading to the formation of OPEC (the Organization of

Petroleum Exporting Countries), and offer suggestions for closer cooperation between the Arab and Latin American oil-producing nations.

Mohamad W. Khouja analyzes the trade patterns of the Arab and Latin American countries, the differences in intraregional trade in the two areas, and the present and potential trade relations between the Arab nations and the Latin American nations.

Articles by Fehmy Saddy and Carlos Massad deal with the problems emanating from the oil producers' need to invest the capital surplus generated by high oil production.

Additional chapters review Latin-Arab cooperation in establishing a new economic order of the oceans and make suggestions for constructive dialogue between Arab and Latin American countries and for the development of future relations.

M.M.A.

THE DYNAMICS OF LATIN AMERICAN FOREIGN POLICIES: CHALLENGES FOR THE 1980s. *Edited by Jennie K. Lincoln and Elizabeth G. Ferris.* (Boulder, Colo.: Westview Press, 1984. 325 pages, notes, references and index, \$35.00, cloth; \$14.95, paper.)

This collection of essays focuses on three areas that affect the way Latin American governments define their foreign policy: the debt problem; United States-Latin American relations; and the conflict in Central America. The essays are generally well written and provide a good introduction to the foreign policymaking of several Central and South American states, including Mexico, Cuba and Nicaragua.

W.W.F.

ALSO RECEIVED ON LATIN AMERICA

CENTRAL AMERICA: CRISIS AND ADAPTATION.

Edited by Steve C. Ropp and James A. Morris. (Albuquerque: University of New Mexico Press, 1984. 311 pages, tables, figures, maps, selected bibliography and index, \$22.50, cloth; \$10.95 paper.)

MEXICAN-U.S. RELATIONS: CONFLICT AND CONVERGENCE. *Edited by Carlos Vásquez and Manuel García y Griego.* (Los Angeles: University of California Press, 1984.

490 pages, tables, notes and bibliography, \$35.00, cloth; \$25.00, paper.)

THE PLIGHT OF HAITIAN REFUGEES. *By Jake C. Miller.*

(New York: Praeger, 1984. 222 pages, notes and index, \$26.95.)

REVOLUTIONARY CUBA: THE CHALLENGE OF ECONOMIC GROWTH WITH EQUITY. *By Claes Brundenius.* (Boulder: Westview Press, 1984. 224 pages, notes,

bibliography and index, \$22.00.)

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HONDURAS IN TRANSITION

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scenario would fit into the United States contention that Suazo really controlled the situation, but it is not widely believed outside embassy circles.

There were many reasons behind the overthrow of General Alvarez. He was apparently ignoring the Superior Council and running the armed forces through cronies. He was believed to be building a power base through APROH and the PN to make himself, or possibly his brother, Armandó, President. He had ousted dissident officers and, even worse, slowed military promotions while promoting himself twice. Perhaps his worst offense in the eyes of his brother officers was his agreement with the United States to train Salvadoran troops at CREM.¹²

The new chief of the armed forces, General Walter López Reyes, is the nephew of the long-term dictator, Oswaldo López Arellano. López Reyes soon went on national television explaining the ouster's motives and its legality, promising his full support to President Suazo. General López had a reputation as an ardent nationalist and soon managed to distance himself somewhat from United States Ambassador Negroponte. By the summer of 1984, López was demanding a revision of the military treaties between the United States and Honduras so that the exercises would be scaled down and the United States would pick up a larger share of their cost. He also began to force the contras to move their base camps into Nicaragua or to keep a very low profile in Honduras. Then, in October, 1984, he announced that no more Salvadorans would be allowed to train at CREM.

POLITICS AND THE ECONOMY

Internally, the situation in Honduras was, as was once said of the Austrian Empire, "hopeless, but not serious." By the end of 1984, unemployment stood at over 20 percent, with an equal number of individuals underemployed as street vendors and part-time farm workers, or in other marginal jobs. Even greater United States aid—the projected figure for nonmilitary aid in 1985 was some \$120 million—only served to disrupt the economy further. National production declined as more and more goods were bought from North America, and this in turn led to further layoffs.¹³ By the middle of 1984, massive street demonstrations, protesting unemployment, new taxes and repression were practically a weekly event in the capital.

Meanwhile, the two major parties were squabbling internally as they sought candidates to contest the next presidential election, scheduled for November, 1985. Neither party had firm leadership. Suazo was challenged in the PL by a number of dissidents, including José

Azcona Hoyo, Jaime Rosenthal and that perennial outsider, Jorge Arturo Reina. In the PN, several leaders were seeking to replace the discredited Ricardo Zúñiga. It could well be that PINU and PDCH will improve their positions in the next round of congressional elections, which coincide with the presidential election.

Honduran democracy limps on, overshadowed by the military and burdened with a catastrophic economic situation. There have been two reasonably honest elections, and while those who were allowed to participate had a relatively narrow perspective, the same might be said of elections in many other nations hailed as democracies. It will be important for the legal President to turn over the reins of government peacefully to an elected successor in January, 1986. Political democracy can become a habit, and while perhaps only the forms now exist, in time it may become institutionalized.

For the present, however, political relationships in Honduras can be seen visually in Tegucigalpa. The *estado mayor*, headquarters of the military, is perched on a high hill, looking down upon the presidential palace and, at a greater distance, the Congress building. And next door to the *estado mayor* is the residence of the United States ambassador.

NICARAGUA UNDER SIEGE

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ies, and to preparing for a feared United States intervention. Many of Nicaragua's arms have been donated by Soviet-bloc countries; Nicaragua's regular army and mobilized reserves now total 62,000—in a country of 2.7 million. Defense officially absorbs 25 percent of the Nicaraguan government budget, but the figure is undoubtedly higher.

The Sandinista leadership has responded to counterrevolutionary efforts to recruit the rural poor with moral suasion, acceleration of the land reform in troubled regions and, when necessary, subtle coercion. Sandinista propaganda equates the counterrevolutionaries with Somoza's National Guard, using, in fact, the same nicknames. This is a persuasive tactic since nearly all poor Nicaraguans hated Somoza's National Guard. The government also appeals to nationalism by suggesting that counterrevolutionaries are United States puppets, and by evoking the memory of Sandino's armed resistance to the United States occupying force. One common slogan is, "After 50 years, the enemy is the same."

Some poor rural Nicaraguans have joined the counterrevolution. (All the country's Miskito Indians have joined, but for unique reasons.) More poor rural Nicaraguans have joined the government's bid to defeat the counterrevolution. Most poor rural Nicaraguans, however, appear to have adopted a calculated air of indifference. Peasants interviewed by the author outside Matagalpa said that they did not support the Sandinistas but that they did not support the counterrevolutionaries either. Certainly, Nicaragua's economic difficulties have led to

¹²Ibid., and *This Week Central America and Panama*, April 9, 1984.

¹³Richard Swedberg, *The Honduran Trade Union Movement, 1920-1982* (Cambridge, Mass.: Camino, 1983), p. 29.

cynicism about the FSLN. However, the political apathy in rural Nicaragua seems largely a matter of calculations about benefits and costs: the benefits are reckoned to be for "the government" and the costs are personal.

Peasants see their behavior as eminently reasonable. For the government, the apathy of many rural laborers and peasants must be seen as an annoying lack of political consciousness at best and threatening ingratitude at worst. The government must try to mobilize political support among the supposed beneficiaries and heirs of the revolution. Indeed, both the FSLN and the counterrevolutionaries seem to be using coercion not as a response to the perceived success of the opposition, but rather as an antidote to the peasants' indifference.

While United States support was decisive for the formation of the counterrevolution (total United States government support has been \$63.5 million), the counterrevolution has become an independent force, complicating the chances for a negotiated settlement between Nicaragua and the United States. The war between the FSLN and the contras is a stalemate, with time perhaps on the side of the contras. The danger is that either side will attempt to end the war by seeking more sophisticated weapons or, less likely, foreign assistance. Either alternative could inflame great power rivalry and spark United States intervention. The Reagan administration's panic over the supposed arrival of Soviet MiG-21 interceptors in November, 1984, showed Washington's anxiety.

Given the intractability of Nicaragua's economic problems, the strength of the counterrevolution, and the threat of United States intervention, it is not surprising that a recent slogan painted on a wall of the Central American University in Managua proclaimed: "Yesterday Somoza, Today Sandino, Tomorrow Who Knows." ■

CUBA

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Yet Cuba's activity is circumscribed by governments wary of its intrusions and by practical limitations. Cuban Vice Foreign Minister Ricardo Alarcón and Castro himself have restated Cuba's inability to intervene militarily in Central America in case of a United States invasion. The reason given is that Cuba "does not have the military means to decisively affect the course of events," and so can only provide political and moral support.¹⁰ Castro also believes that Cuban intervention would be a political mistake.

Cuba has expressed support for the Contadora process, but it continues to provide across-the-board assistance to Nicaragua and training to some Salvadoran, Honduran and Guatemalan guerrillas. Any enforcement of the Con-

**Jackson was a candidate for the 1984 Democratic presidential nomination.

¹⁰Szulc, p. 4.

¹¹See Luis Burstin, "My Talks with the Cubans," *The New Republic*, February 13, 1984, pp. 19-23.

¹²*Newsweek*, p. 38.

tadora provisions regarding the withdrawal of foreign advisers from Central America is a long way off, assuming that a treaty were signed, which is not a sure bet. Bargaining from a position of strength, Cuba retains enormous leverage in the negotiations, and it can live with the status quo. Contadora's success or failure will not have much of an impact on Cuba, and there is no reason to believe that Castro will surrender hard-earned political advantages in order to give Contadora a diplomatic boost.¹¹

Cuba supports a negotiated solution in El Salvador, but Castro's contention that "the rebels are stronger than ever" is not borne out by the facts. The FMLN is not on the brink of victory, President José Napoleón Duarte's legitimate government is not regionally isolated, and the Salvadoran army is not about to collapse. Success or failure in the Salvadoran negotiations will depend not only on the relative strength of the army and the guerrillas, but also on the balance of interests in Duarte's regime, and on Washington's attitude. Cuba's ability to influence the course of events in El Salvador is limited, compared to its role in Nicaragua, where it is a major player.

The prospects for a short-term improvement in relations between Havana and Washington are not good, even if a dialogue succeeds in resolving specific bilateral matters like immigration and family reunification. The objective foreign policy interests of both sides, as presently defined, preclude a major breakthrough. As a revolutionary state, Cuba asserts its sovereign right to assist fellow revolutionaries in the region and elsewhere. And it does not subject its multifaceted relationship with the Soviet Union to revisions by Washington, because Castro cannot turn away from his superpower patron without incurring major risks.

Questions of values are also at the heart of the dispute. Castro's view is that "an ideological or philosophical reconciliation between the present United States administration and ourselves . . . is out of the question,"¹² even if progress is made on peripheral issues. An agreement was reached in late 1984 involving the repatriation of some 2,500 Cuban "excludables" (from the Mariel boat-lift) held in United States prisons and mental institutions, and the regularization of legal migration from Cuba. If the agreement is complied with, it signals a reversal of Cuba's position, which was never to take back any of those who left via Mariel. Moreover, it is estimated that several hundred thousand Cubans would migrate to the United States if regular migration were once again allowed.

Havana showed some flexibility on an issue raised by the United States and by human rights organizations, namely, the release of Cuban political prisoners. Castro, who calculates the political value of a humanitarian gesture, released 26 Cuban and 22 American prisoners during Jesse Jackson's visit to Cuba in June, 1984.** Among those who migrated to the United States was former

diplomat Andrés Vargas Gómez, a grandson of one of Cuba's national heroes, Máximo Gómez. Vargas Gómez had served a 20-year sentence for "counterrevolutionary activities" and had been told that he would never be allowed to leave Cuba. Once free, Vargas Gómez denounced Jackson's visit, calling it "morally offensive," adding that "there is no negotiating with Castro or any Communist. It is an illusion, and the people of the world should not be fooled."¹³ The Cuban exile community in Miami adopted a similar attitude, welcoming the prisoners but criticizing Jackson for staging the trip.

Havana has made up some of the ground it lost following the NJM's demise, but its influence in the Caribbean has declined sharply. Still, documents found in Grenada show that Soviet leaders work through Cuba in their attempt to support revolutionaries who come to them for assistance, and that arms transfers play an important role in Soviet and Cuban policies. Cuba maintains good relations with Spain, France, Italy and other European governments, and is expanding ties to Brazil and Argentina. Ties to Mexico are solid, and Cuba is the Sandinistas' main ally in the region.

In Africa, Cuba's military ventures and internationalist missions have met difficulties and are not risk-free, but Cuba's standing among third world nations brings it political dividends. An occasional political confrontation with the United States is useful to Cuba, and Castro delights in Yankee-baiting. In some quarters, his anti-United States rhetoric is much admired. But because the regime can blunder and because Castro knows the objective limitations facing Cuba's initiatives, he is now playing for time in order to evaluate the early signals of a second Reagan administration. ■

¹³"Vargas Criticizes Visit That Freed Him," *The Miami Herald*, June 30, 1984, p. 19A.

CARIBBEAN REALITIES

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of Caribbean life. Nearly every Caribbean household has a friend or relative living abroad.

Emigration is likely to continue on the same scale for another decade or more. Legally and illegally, the residents of the Caribbean have become skillful at finding outlets abroad, often in the face of hostile immigration laws. Inter-island migration is also increasing, with migrants in search of work—Haitians streaming into the Dominican Republic and the French Antilles, and small islanders seeking jobs in Trinidad, the United States Virgin Islands, and elsewhere.

Emigration has become a way of life throughout the

¹⁴Malcolm Cross, *Urbanization and Urban Growth in the Caribbean* (Cambridge: Cambridge University Press, 1979), pp. 57–79.

¹⁵A sensitive account of the emergence of a national identity is provided in Rex M. Nettleford, *Mirror Mirror: Identity, Race and Protest in Jamaica* (Kingston, Jamaica: Collins Sangster, 1972).

region. Remittances from abroad provide one-third or more of the income in some of the smaller islands, where the elderly and the young stay behind. Two-career diaspora families often send their children home to be raised by grandparents. As people live and work overseas and in the region, emigrating and returning is becoming more and more frequent, especially for those islanders who hold foreign passports.

Combined with two decades of aggressive family planning programs and improved social services, emigration has rapidly reduced fertility. Except for Haiti and the smaller islands, much of the Caribbean has completed in rapid time the demographic transition from high fertility and infant mortality to low fertility and low mortality. Cuba mobilized women into the work force, the schools and the militia, and legalized abortion. With its oil wealth, Trinidad generated jobs and further education for young women while promoting family planning. Annual rates of population increase are around one percent for much of the region; the rate is lowered in part by the high proportion of 18-to-35-year-olds emigrating.¹⁴

Emigration has been voluntary and is often encouraged by overburdened governments, with the exception of Cuba, where emigration is forbidden by law except in cases of close family reunification. Still, the pressures to leave Cuba were revealed by the permitted exodus of 125,000 Cubans from the port of Mariel in 1979. An estimated 800,000 Haitians have emigrated; nearly 50,000 left on perilous voyages in small boats in open seas until in 1981 the United States Navy and the Coast Guard began to turn them back.

No other region of the world is so thoroughly Westernized, so deeply penetrated by North American films, television, tourists, and lifestyles. Emigration has become the preferred response to the gap between local and imported expectations, fed by remittances, visits, satellite television receivers pulling in foreign signals, and daily plane-loads of tourists.

Yet the Caribbean has its own cultural and national identities, and is a genuine source of indigenous values.¹⁵ Dance groups based on folk tradition flourish in Cuba, Jamaica, Haiti and elsewhere. Jamaican reggae and Trinidadian calypso captivate island and foreign audiences. Steel bands thrive throughout the West Indies and have attracted audiences around the world. Puerto Rican and Dominican salsa and Afro-Cuban rhythms have stimulated musical innovation. Caribbean writers of the stature of the late Alejo Carpentier of Cuba, Cuban poet Nicolas Guillen, Haitian novelist Jacques Roumain, and West Indians Derek Walcott and V.S. Naipaul have added to world literature. The Afro-Caribbean religions are enjoying a current vogue in New York, Miami and elsewhere, and the art forms they have inspired are on display in galleries and museums in many countries.

Small, poor, politically awkward and with extensive ties to much larger and more powerful foreign societies, the nations of the Caribbean have acquired distinctive

national identities. Each has a unique creole language or dialect—Papiamentu in Curaçao, Jamaican English, Haitian Creole, or Puerto Rican Spanish. Each has a world of popular music and dance, folk tales, myths, sports idioms and religious expressions that transmits culture from generation to generation at home and in the diaspora.

Dependence, poverty, small size, the desire to emigrate, are all Caribbean realities. So are survival skills, resilience, flexibility, religiosity, and exuberance. ■

EL SALVADOR

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be aimed at penetrating key sectors of the labor movement and the armed forces. Lieutenant Colonel Monterrosa was killed in October when a bomb exploded inside his helicopter, giving rise to speculation that the guerrillas may have penetrated the armed forces. Some evidence already exists that guerrillas have been able to infiltrate into the noncommissioned ranks of the army, and guerrilla radio broadcasts constantly challenge army soldiers to abandon their fight in the "army of the rich."

The labor sector is also a potential area of penetration. Although it was not widely reported at the time, much of the wholesale death squad activity of 1979 and 1980 (when body counts were estimated at monthly rates exceeding 400) was directed against union organizers suspected by the extreme Right of having ties to the guerrillas through popular front organizations. The ranks of left-leaning unions were decimated by large-scale carnage and imprisonment. Recently, however, in the relatively free atmosphere provided by intense worldwide scrutiny of human rights abuses, Marxist unions have begun to flourish once again. If labor demands against the government increase, a new wave of violence from the ultra-right may follow, endangering once again the legitimacy of the regime.

More likely, if peace negotiations succeed in bringing the rebels within the government, large sectors of the labor movement may support a political party organized by the Left to pressure the government for policies that would redistribute at least some resources to the working classes. Although the rebels may realistically have concluded that the international environment in the foreseeable future does not favor an overthrow of the Duarte regime, their potential political capabilities inside El Salvador are by no means diminished.

THE FUTURE OF THE ARMED FORCES

Should the Duarte regime survive, the future of the armed forces in Salvadoran politics after the civil war is unclear. Salvadoran officers have been subjected to enor-

mous strains during the past few years, and their capacity to withstand them is a testimony to extraordinary resilience. In order for the armed forces to survive as an institution, officers were forced to separate themselves politically from the coffee-growing oligarchy that nurtured their development during the past century,¹² and with whom they were allied steadfastly until the civil war. Moreover, the armed forces ruled El Salvador formally for half a century; they were forced to yield formal control over the government only under dire circumstances in 1982. Finally, the exigencies of war have forced them for the first time to organize their ranks primarily as a combat institution. Although important sectors of the armed forces have been in favor of change at least since 1956, the overwhelming impetus for massive change has come from the United States.

Resentment against United States influence is already surfacing in the officer corps, and will probably remain for years to come. Should the government succeed in resolving the civil war while at the same time curtailing the influence of the wealthy elite, the armed forces are likely to establish new political alliances with middle sectors. One can envision a movement surfacing at some future date among junior officers, capitalizing on nationalist civilian and military resentments against the United States and bent on restoring military rule. Economic failure, combined with a legislative or constitutional impasse, could easily trigger such a movement if the regime succeeds in reducing its dependence on the United States. If the current trend in the regime toward middle-sector rule lasts, the armed forces will have more political "space" than before; political movement could come either from the center-right or the center-left.

CONCLUSIONS

If the March, 1985, elections result in a centrist legislature, there is a strong possibility that a permanent peace can be arranged with the rebels. A viable, middle-of-the-road government supported by most of the international community would make continued fighting pointless. Rebel political clout from within the government, particularly among labor groups, would probably be formidable and would ensure a political future for most rebel leaders. The temptation to participate in such a government is likely to be overwhelming, particularly in light of the changing international climate. Should this happen, El Salvador will still face years of national reconstruction after years of bitter strife.

El Salvador's major institutions—the armed forces, political parties, labor unions, church groups—have recently been forced by circumstances to look abroad for assistance. But El Salvador's long-term health will depend on the extent to which these institutions learn to deal cooperatively with one another, rather than with foreign groups, to find solutions to national problems; otherwise, El Salvador will become "Lebanonized," a

¹²For general histories of El Salvador, see Tommie Sue Montgomery, *Revolution in El Salvador* (Boulder: Westview Press, 1982), David Browning, *El Salvador: Landscape and Society* (Oxford: Clarendon Press, 1971), and Alastair White, *El Salvador* (New York: Praeger, 1973).

One of the great questions remaining in El Salvador is the extent to which it is possible to reunify the nation. Hundreds of agencies from dozens of countries have descended on El Salvador during the past few years, each for different motives, and each leaving behind intended and unintended consequences. There is a danger that organized groups will no longer look automatically to Salvadoran institutions for help, but will look abroad. This tendency is caused by an international system in which terrorist groups, financial institutions, welfare agencies, corporations, arms dealers, armies and wealthy governments have developed highly sophisticated international capabilities. In El Salvador, the world has seen a local civil war transformed before its eyes into an event of international proportions. Unless Salvadorans can unite behind a major drive for national reintegration, their country may well go down in history as one of the first free-fire zones in a world beyond the nation state. ■

GUATEMALA

(Continued from page 113)

whether the military would accept the Christian Democrats in power, should the 1985 elections produce such a result.

Guatemala did manage to reduce its international isolation, but it continued to suffer from a decidedly negative image. Costa Rica's foreign minister said that conditions had improved in Guatemala, but he still placed Guatemala well behind Honduras and even El Salvador in measuring progress toward democracy.²¹ Relations with the United States continued to be plagued by difficulties, and Guatemala's role in the Contadora process often appeared inconsistent. It was a reflection of its overall problems that Guatemala, traditionally the leader in Central American affairs, had been reduced to an almost marginal role in 1984.

Guatemala's ability to sustain and expand the progress it has made, however, depends on several unanswered questions. It is clear that the military will support civilian candidates for President in 1985, but it is not clear how much real power a new government will have. Many political leaders fear a repetition of the 1966 experience, when an elected civilian government found its powers constantly reduced by military pressures. It is also apparent that the military is willing to allow more room for the center left than it has for many years, but it is unclear whether the center left will be given any real opportunity to influence policy or even whether the military is willing or able to guarantee that group's personal security against the assaults of the extreme Right.

In Guatemala, the political process remains essentially paralyzed, and this condition is likely to persist at least until after the 1985 presidential elections. Whether these

elections incline the balance toward further meaningful progress or whether they will only increase the degree of political paralysis is the key question in Guatemala in 1985. ■

COSTA RICA

(Continued from page 121)

idle at least 3,000 workers and would exact a loss in exports of \$37.5 million.¹¹ The Costa Rican government requested meetings with representatives of United Brands, but it became known that the company had been trying to sell its Costa Rican subsidiary even before the strike.

THE FUTURE OF NEUTRALITY

To predict the future of Costa Rica's neutrality doctrine one has to take into consideration the conceptualization of neutrality, the utility of the doctrine and the potential threats to this foreign policy position as envisioned by the Costa Ricans. For Costa Ricans, neutrality essentially means that the government will not ally militarily with or against any group involved in a war. That is not to say that Costa Rica will refrain from political alignment or from the right to prepare to defend its territory. The Costa Rican government has made it clear that it supports the political ideals of the United States and other Western democracies and that it looks to the developed democracies for economic assistance in its economic crisis. At the same time, the Costa Rican government is professionalizing its defense capability without identifying this activity as "building an army."

The utility of this doctrine is that it allows Costa Rica to maintain an image of being separated from the crisis in Central America, an image it desperately needs to attract foreign investment and foreign economic assistance and to improve trade relations with nations inside and outside the region. As for perceived threats to the doctrine of neutrality, the Monge administration sees no conflict of interest between Costa Rica's neutrality policy and its very close political and economic relations with the United States. The perceived threat to Costa Rica's neutrality is that a subversive Communist movement or an invasion of Costa Rica will destroy the country's democratic tradition. Is neutrality possible for Costa Rica? Can Costa Rica afford neutrality? Yes, but only neutrality Costa Rican style. ■

¹¹"Gobierno Ordenó Detener el Desmantelamiento de Bananera," *La Nación*, November 29, 1984.

BOOK REVIEWS

(Continued from page 131)

GRENADA: REVOLUTION AND INVASION. By Anthony Payne et al. (New York: St. Martin's Press, 1984. 233 pages, maps, notes, select bibliography and index, \$19.95.)

THE INTERNATIONAL CRISIS IN THE CARIBBEAN. By Anthony Payne. (Baltimore: The Johns Hopkins University

²¹Statement by Costa Rican Foreign Minister Carlos Gutierrez to the Conference on Democracy in Central America, San José, Costa Rica, November 22, 1984.

Press, 1984. 177 pages, map, notes, appendix, select bibliography and index, \$18.50.)

MEXICO: DEVELOPMENT STRATEGIES FOR THE FUTURE. By *Denis Goulet*. (Notre Dame: University of Notre Dame Press, 1983. 191 pages, notes, bibliography and index, \$16.95, cloth; \$8.95, paper.)

WORLD BIBLIOGRAPHICAL SERIES, VOLUME 48: MEXICO. Compiled by *Naomi C. Robbins*. Edited by *Sheila R. Herstein*. (Santa Barbara, Calif.: Clio Press, 1984. 166 pages and index, \$35.00.)

CUBA AND THE REVOLUTIONARY MYTH: THE POLITICAL EDUCATION OF THE CUBAN REBEL ARMY, 1953–1963. By *C. Fred Judson*. (Boulder: Westview Press, 1984. 294 pages, notes, bibliography and index, \$22.50.)

THE FIRST AGRARISTAS: AN ORAL HISTORY OF A MEXICAN AGRARIAN REFORM MOVEMENT. By *Ann L. Craig*. (Berkeley: University of California Press, 1983. Illustrations, appendices, bibliography and index, \$28.50.)

GEOPOLITICS OF THE CARIBBEAN: MINISTATES IN A WIDER WORLD. By *Thomas D. Anderson*. (New York: Praeger, 1984. 175 pages, maps, appendix and index, \$25.95.)

REVOLUTION IN CENTRAL AMERICA. Edited by the *Stanford Central Action Network*. (Boulder: Westview Press, 1983. 508 pages, maps, tables, suggested readings and index, \$30.00, cloth; \$13.95, paper.) ■

UNITED STATES POLICY

(Continued from page 100)

tions were to be discussed at a meeting. They said papers normally prepared by the CIA were passed out at the meeting itself and then collected at the end of the meeting. Mr. Reagan usually makes his decision at the table. Thus, according to the sources, those who attend are often without the benefit of staff advice before or during the meeting.¹⁴

There is no cheap military way out of the United States dilemma. Military aid to El Salvador in fiscal year 1984 equaled that of the previous three years combined. Pressures are growing to increase the number of American military advisers there and to expand their roles. United States economic assistance sluices through the country in quantities no one can keep track of; two-thirds of the aid is underwriting trade in an attempt to dull the war's impact on the urban classes.

To most critics of administration policy, the costs of

¹⁴"Shift Is Reported on C.I.A. Actions," *The New York Times*, June 11, 1984.

¹⁵See *The Americas in 1984: A Year of Decisions: Report of the Inter-American Dialogue* (Washington, D.C.: Aspen Institute for Humanistic Studies, 1984).

¹⁶Laurence Barrett, *Gambling With History* (Garden City: Doubleday, 1983), p. 207.

¹⁷In his speech at Georgetown University on April 6, 1984, the President said, "Gone are the days when the United States was perceived as a rudderless superpower, a helpless hostage to world events. American leadership is back." "Excerpts From President Reagan's Speech," *The New York Times*, April 7, 1984. "Shultz and Shakespeare," *The New York Times*, December 15, 1984.

even flirting with a military solution outweigh the costs of a political solution, and critics doubt that a political solution can be fashioned while emphasizing the military. The foregoing analysis obviously identifies the author as a critic. In large measure this analysis is shared by students of Central America, be they scholars or professional diplomats. Resolutions on United States policy adopted by the Latin American Studies Association—the most inclusive organization of United States scholars involved with the region—mirror the recommendations of the Inter-American Dialogue sponsored by the Smithsonian Institute's Woodrow Wilson Center, comprised of recent Latin American Foreign Ministers, ex-United States Cabinet members, and other notables. They support Contadora.¹⁵

CREDIBILITY

The ultimate test for any analyst is to account for the opposing point of view. Why is it that the political solution that seems so promising to scholars appears so dangerous to policymakers? To answer this question one must confront the policymakers' charge that the "credibility" of United States global leadership is on the line in Central America, and then try to plumb the unvoiced fears that may lie behind this assertion. The Reagan administration came to power determined to reverse what it perceived as its predecessor's weakness in dealing with "communism" and "terrorism" abroad, especially in the third world. Central America seemed to offer the first and safest opportunity for the new administration to demonstrate to the world that the United States was back and standing tall. "Mr. President, this is one you can win," Alexander Haig, the incoming Secretary of State, told the new President. Haig had El Salvador in mind.¹⁶

Haig also talked of "going to the source" of our troubles in Central America, meaning Cuba. Since the 1962 missile crisis, however, Cuba has had explicit Soviet protection; it is the Soviet Union's West Berlin. Nicaraguan and Salvadoran leftists do not enjoy comparable protection. Enough of the populations of these Central American countries oppose United States intervention, however, to threaten another Vietnam should Washington reestablish its credibility at their expense. In any case, credibility is a difficult god to appease. Does credibility require the removal of all Marxist regimes within the United States sphere of influence, whenever the United States is presumed capable of taking such action? Or is once enough? Where does Nicaragua stand, given Grenada?

From the beginning, this administration has framed the debate over Central America in terms of United States credibility worldwide.¹⁷ "If the United States cannot respond to a threat near our own borders," the President told a joint session of Congress convened in 1983 to sound the alarm on Central America,

why should Europeans and Asians believe we are seriously concerned about threats to them? If the Soviets can assume that nothing short of an actual attack on the United States

will provoke an American response, which ally, which friend will trust us then? . . . Our credibility would collapse, our alliances would crumble.¹⁸

The National Bipartisan Commission on Central America, created by the President to provide a rationale for United States policy, picked up the theme. Its report explains how United States credibility is undermined by any Marxist regime in the hemisphere, no matter how innocuous its behavior.¹⁹

What are we to conclude? As with "domino theory," credibility deals in perceptions and worst-case possibilities, not in current events. Crudely or subtly, the Reagan administration tries to transfer fears rooted in the United States-Soviet nuclear stalemate—where a preoccupation with remote but extremely damaging possibilities is appropriate—to an arena where the United States confronts weak nonnuclear states to which Moscow has made no military commitment.

How did this moment arise for the United States in its relationship to Central America? Long the stated goal of United States policy toward that region, the actual "development" of strong states and politically conscious publics generated a dilemma. Abraham Lowenthal, a scholar writing on United States-Latin American relations out of considerable experience in Washington, sums up the situation this way:

The fundamental difficulty for the United States in Central America derives from the fact that our leadership is used to nearly absolute U.S. control . . . The days of easy and total U.S. dominance are past.²⁰

While Nicaragua is the Central American nation that most clearly embodies the United States difficulty, the problem arises whenever a protest movement is popular enough to capture power, is Marxist/nationalist in orientation, and is in the backyard. There is every reason to believe more such combinations will arise in Central America and the Caribbean. Like it or not, dissent in this region uses the language of Marx more often than that of Jefferson, is nationalist more often than pan-American, and rarely trusts what President Reagan calls "the magic of the marketplace."

With the election of José Napoleón Duarte, El Salvador has been bent back into something Washington can recognize. There United States leaders can plausibly (if inaccurately) argue that the Marxist opposition is "unrepresentative" and can claim to support a process ("democracy"), not merely a client. The Nicaraguan election that ratified the "wrong" group, however, was no

¹⁸"Central America: Defending Our Vital Interests," *Realism, Strength, Negotiation: Key Foreign Policy Statements of the Reagan Administration* (Washington, D.C.: United States Department of State, 1984), p. 130.

¹⁹*Report of the President's National Bipartisan Commission on Central America* (New York: Macmillan, 1984), p. 111. "Nicaragua Imports Seen as Buildup for Defense," *Boston Globe*, November 13, 1984.

²⁰Abraham Lowenthal, "Commentary," *Bulletin of the Atomic Scientists*, vol. 39, no. 10 (December, 1983), p. 60.

less fair than the Salvadoran. In Nicaragua, Washington discouraged opposition parties from participating in that election. In Nicaragua, the United States underwrites "freedom fighters" who, were they transplanted to El Salvador, would be condemned as "terrorists." In short, Nicaragua is—as the British found the fledgling United States in 1776—a world turned upside down.

Examining the pattern of United States policy toward Central America, critics notice behavior that can be termed reality avoidance. Such behavior includes the simultaneous pursuit of contradictory strategies, misnamings, retreats into rhetoric and fantasies rooted in the past. The so-called political solution seems promising to those not holding the reins of power but invokes fears in those who do, fears sometimes disguised as bluster à la Winston Churchill. On whose "watch," United States politicians ask, will Central America be "lost"?

What is threatening in the political solution is the potential reordering of relationships: away from the top-down control characteristic of spheres of influence toward the bargaining that recognizes the rights of all parties, including the right of each to know its own interests. The Panama Canal Treaties renegotiated by President Jimmy Carter embody this reordering. Is United States access to the canal now less secure? Most observers would claim the contrary. United States technological and economic superiority will not be lost if greater equality in diplomacy is accepted.

Sorting out a new relationship to Central America, in any case, means a discussion in Congress and among the public that has not yet been scheduled. The foreign relations committees of Congress have atrophied. The new leadership of the Ninety-ninth Congress has an opportunity to remedy that. The public has grown lazy, abetted by a long line of administrations that, under the rubric of "politics stops at the water's edge," have preached, "Don't question; trust us." This administration's frequent retreats behind secrecy have not helped. For example, it has withheld evidence it says it has of *massive* arms flows from Nicaragua to El Salvador, or what the President calls a "flood of weapons" (evidence most nongovernment specialists doubt exists). Neither is it helpful to dismiss as the "Vietnam syndrome" the instinctively intelligent public concern about deeper military involvement in Central America. For their part, the media moves from crisis to crisis without exploring long-term patterns. There is blame enough for everyone.

At the same time, the Central American crisis presents the United States with an opportunity. What relationship do Americans want with the small and impoverished societies that lie in North America's shadow? Is that relationship sustainable year in and out, or is it a fantasy revived in moments of crisis after long lapses of indifference? The urge for control, to "stand tall" the way President Theodore Roosevelt (or John Wayne) did, is an anachronism, a turning away from this opportunity to go forward. ■

THE MONTH IN REVIEW

A Current History chronology covering the most important events of January, 1985, to provide a day-by-day summary of world affairs.

INTERNATIONAL

Arms Control

(See also U.S.S.R.; U.S., Foreign Policy)

Jan. 29—At the Stockholm disarmament conference, the Soviet delegation introduces a treaty that commits nations to a policy of no first use of nuclear weapons; the U.S. delegation says the U.S. is not willing to negotiate such a treaty.

Jan. 31—The Mutual and Balanced Force Reduction Talks (MBFR) open in Vienna; 19 nations are participating in the talks.

European Space Agency

Jan. 31—At the conclusion of a 2-day meeting, the 11 nations agree to increase the budget to \$1.2 billion over the next 5 years and to begin a series of civilian space projects.

Organization of Petroleum Exporting Countries (OPEC)

Jan. 30—With Algeria, Libya and Iran dissenting, the OPEC members meeting in Geneva agree to cut oil prices; the new price is still above the free-market level.

United Nations (UN)

(See also U.S., Administration, Foreign Policy)

Jan. 17—Greek and Turkish Cypriot leaders meet for the 1st time in 5 years; Secretary General Javier Pérez de Cuéllar sits in on the meetings.

Jan. 20—The Turkish Cypriot-Greek talks end; both sides agree to meet again.

Jan. 24—The International Court of Justice (World Court) says it will hear the suit filed by Nicaragua against the U.S. even though the U.S. has withdrawn from the case.

Jan. 28—De Cuéllar arrives in Hanoi for talks with Foreign Minister Nguyen Co Thach about Vietnam's occupation of Kampuchea.

Jan. 30—A United Nations Educational, Scientific and Cultural Organization (UNESCO) legal panel rules that the U.S. may still have to contribute \$43 million to UNESCO's 1985 budget even though the U.S. withdrew from the organization last month.

De Cuéllar says he made "modest progress" toward finding a peaceful solution to Vietnam's occupation of Kampuchea in the talks he held with Vietnam's foreign minister.

Warsaw Pact

Jan. 14—In Moscow, the official press agency Tass reports that a planned meeting of the Warsaw Pact leaders has been canceled; Soviet officials say that the meeting was probably canceled because of Soviet President Konstantin U. Chernenko's ill health.

World Bank

Jan. 23—Moeen A. Qureshi, senior vice president of the World Bank, says that lending commitments by the Bank will decline this year for the 1st time since 1967; he says cutbacks in funding by countries like Nigeria and Brazil caused the decline.

AUSTRALIA

(See Ethiopia)

AUSTRIA

Jan. 29—Defense Minister Friedhelm Frischenschlager publicly apologizes for meeting with Nazi war criminal Walter Radar when Radar returned to Austria from prison.

BANGLADESH

Jan. 15—General H. M. Ershad dissolves his governing Council of Ministers and announces that parliamentary elections will be held on April 6, 1985; the last elections were held 6 years ago.

BELGIUM

Jan. 14—On a visit to Washington, D.C., Prime Minister Wilfried Martens assures President Ronald Reagan that the government is committed to deploying new U.S. intermediate-range nuclear missiles, but he is unable to set a date for their deployment.

BOLIVIA

Jan. 19—At the urging of President Hernán Siles Zuazo, striking workers at 34 plants free 200 executives who were held hostage for 3 days; the workers still demand pay raises.

BRAZIL

(See also Intl, World Bank)

Jan. 15—Tancredo Neves is chosen by an electoral college to be Brazil's 1st civilian President in 21 years; he defeats the governing party's candidate, Paulo Maluf, by a vote of 480 to 180.

Jan. 17—Neves holds his 1st presidential news conference; he rejects demands that Brazil declare a unilateral moratorium on its debt.

CANADA

Jan. 23—The Canadian Senate Committee on National Defense issues a report saying Canada's air defense system is obsolete and vulnerable; it says that "at present, hostile bombers could fly undetected into the heart of North America."

CHINA

Jan. 1—In a speech published today, de facto leader Deng Xiaoping (chairman of the Central Military Commission) tells the Communist party's central advisory committee that his "open door" policy toward the West is necessary to modernize China.

Jan. 3—Chief of the General Staff Yang Dezhi says that there will be further cuts in armed force manpower; last week 40 high ranking general staff officers were retired.

Jan. 14—On an official visit to Beijing, the chairman of the U.S. Joint Chiefs of Staff, General John Vessey Jr., tells military leaders that U.S. military ties to China "are designed to promote peace and understanding and threaten no third party."

Jan. 23—The Foreign Ministry says that Chinese forces have counterattacked Vietnamese forces in the last few days because of Vietnamese "provocations" along the border.

Jan. 27—U.S. Assistant Secretary of the Navy Melvyn R. Paisley arrives in China with a high-level Navy delegation for talks on the sale of advanced U.S. naval weapons and technology.

COLOMBIA(See *U.S., Foreign Policy*)**DOMINICAN REPUBLIC**

Jan. 23—President Salvador Jorge Blanco announces a 3.4 percent increase in the price of gasoline; he also promises raises for the military and public servants.

EGYPT

Jan. 1—The government officially announces that it is releasing from banishment Pope Shenuda III, the patriarch of the Coptic Orthodox Church; Shenuda was arrested by President Anwar Sadat in 1981 and was charged with fomenting unrest.

EL SALVADOR

Jan. 6—Pedro René Yanes, the head of the Presidential Commission on Ethics, is assassinated; President José Napoleón Duarte says a far-right party is guilty of the murder. One of the killers is tentatively identified as a member of the National Republican Alliance (ARENA).

Jan. 8—The U.S. embassy in San Salvador announces that the U.S. has given El Salvador a gunship equipped with night-vision equipment and three .50-caliber machine guns for anti-guerrilla operations.

Jan. 10—Government officials privately report that the Archbishop of San Salvador, Arturo Rivera y Damas, is receiving a police escort because of a recently discovered assassination plot.

News reporters in El Salvador report that a 2d U.S. gunship has been delivered and was used yesterday.

Jan. 24—Duarte says he will not negotiate further with leftist guerrillas until they change their proposals; he says the guerrillas do not want a dialogue leading to peace.

ETHIOPIA(See also *Israel; Sudan*)

Jan. 4—The government condemns as "gross interference" the recent Israeli airlift of Ethiopian Jews to Israel; it says the "illegal trafficking" in Ethiopians must be stopped.

Jan. 16—A 6,000-ton food shipment from Australia is seized by the government; the food was intended for drought victims in rebel-controlled areas. The Ethiopian Foreign Ministry says the Australians have made an "unacceptable challenge to Ethiopia's authority."

Jan. 23—Guerrillas from the Eritrean People's Liberation Front charge that government soldiers killed 27 prisoners recently; the Marxist group has been fighting for 18 years for an independent Eritrea.

FINLAND(See *Norway*)**FRANCE**(See also *India; Lebanon*)

Jan. 7—The government proposes to give New Caledonia full independence but wants it to retain its link with France in a "treaty of association." The Kanaka Socialist National Liberation Front, a secessionist group made up of indigenous Kanakas, has been fighting with French settlers over the issue of independence in the last month.

Jan. 12—Prime Minister Laurent Fabius announces that 1,000 more French troops are being sent to New Caledonia to join 2,280 French police and 3,000 troops already there.

Jan. 20—The government recalls its deputy military attaché in India after it is reported that the Indian government planned to deport a French diplomat for giving secrets to the U.S. Central Intelligence Agency (CIA).

Jan. 25—A Defense Ministry official is assassinated by members of the left-wing terrorist group Direct Action.

New Caledonia

Jan. 12—Eloi Machoro, a leader in the secessionist movement, is killed in a gun battle with French police. The island's government declares a state of emergency.

Jan. 19—French President François Mitterrand arrives in New Caledonia to hold talks with government leaders.

GERMANY, WEST

Jan. 3—Terrorists firebomb the home of the U.S. consul in Frankfurt and a guardpost at a U.S. Army airfield in Heidelberg.

Jan. 10—Government officials say that the government has agreed to take part in a multinational space station.

Jan. 11—3 U.S. soldiers are killed and 7 are injured when a Pershing-2 missile catches fire; the missile had no nuclear warhead.

Jan. 22—A 2-day meeting of a Soviet-West German trade commission ends; Aleksei K. Antonov, a Soviet Deputy Prime Minister who headed the delegation, says that the commission will give new impetus to trade.

Jan. 30—The government forecasts that the West German gross national product (GNP) will grow at an annual rate of 5.1 percent in 1985; the 1984 GNP growth rate was 2.6 percent.

GREECE(See *Intl, UN*)**HONDURAS**(See *Nicaragua*)**INDIA**(See also *France*)

Jan. 2—Prime Minister Rajiv Gandhi removes 2 top aides; they were long-time aides to the late Indira Gandhi, his mother.

Jan. 4—Dr. S. Varadarajan, the director general of the government's Council of Scientific and Industrial Research, says the gas leak at the Union Carbide plant in Bhopal last month that killed 2,000 people was caused by Union Carbide negligence.

Jan. 8—Prime Minister Gandhi appoints Ghani Khan Choudhury, a former minister of railways, to become general secretary of the ruling Congress party.

Jan. 11—The government announces that the coast guard has seized a Sri Lankan ship in Indian territorial waters; the Sri Lankan government denies that the ship was in Indian waters.

Jan. 18—Prime Minister Gandhi reports that an espionage operation has been discovered that leaked intelligence information to Western intelligence agencies, including the CIA.

IRAN(See *Iraq; Nicaragua*)**IRAQ**

Jan. 20—A military spokesman says Iraqi bombers attacked 3 "naval targets" near Iran's Kharg Island oil terminal.

Jan. 28—The government issues a communiqué saying that its forces have launched a major ground assault on Iranian positions; an Iranian radio broadcast says that no territory has been lost.

ISRAEL

(See also *Ethiopia; Sudan; U.S., Foreign Policy, Press Responsibility*)

- Jan. 3—A 5-man government panel announces that Israel has airlifted over 10,000 Ethiopian Jews to Israel since 1977; the operation began during the government of Prime Minister Menachem Begin.
- Jan. 6—A spokesman for the Jewish Agency, a semiofficial government relief agency, says the publicity surrounding the airlift of the Ethiopian Jews has led to a temporary halt in the operation.
- Jan. 7—Prime Minister Shimon Peres says Israel will complete the airlift of the Ethiopian Jews; he does not give a date for the resumption of the airlift.
- Jan. 8—The government says it will not attend the next session of talks with Lebanon on the withdrawal of Israeli troops from southern Lebanon.
- Jan. 10—It is reported in Tel Aviv that today the government approved 6 new settlements on the occupied West Bank.
- Jan. 14—The Cabinet approves a 3-stage plan for the withdrawal of Israeli troops from southern Lebanon; Prime Minister Peres says he hopes the pullout will be concluded in about 6 to 9 months.
- Jan. 16—The Knesset votes 62 to 51 to reject a bill that would have redefined who is a Jew. 4 religious parties introduced the bill, which included the requirement that, in granting immediate citizenship to immigrants, the state recognizes as Jews only those individuals born of a Jewish mother or those who were formally converted to Judaism by an Orthodox rabbi.

JAMAICA

- Jan. 15—3 people are killed in demonstrations after the government announces sharp fuel price increases.
- Jan. 17—Demonstrations end in most of the country; 6 people have been killed in the protests.

JAPAN

(See also *U.S., Foreign Policy*)

- Jan. 29—In Tokyo, trade negotiations between Japan and the U.S. end; the talks on the widening of Japanese markets to foreign goods will be continued next month.

JORDAN

- Jan. 6—Army commander General Zeid bin Shaker announces that Jordan will receive advanced ground- and air-defense weapons from the Soviet Union later this year.

KAMPUCHEA

(See also *Intl, UN*)

- Jan. 8—Thai military officials tell reporters that they expect all 5,000 Kampuchean guerrillas to leave their headquarters at Ampil today because of Vietnamese artillery and tank attacks; 10 Thai soldiers have been killed in skirmishes with Vietnamese units that have crossed the border.
- Jan. 14—Foreign Minister Hun Sen is named Prime Minister; he replaces Chan Si, who died last month.

KOREA, SOUTH

- Jan. 22—Choi Chang Yoon, President Chun Doo Hwan's secretary for political affairs, tells reporters in Seoul that exiled opposition leader Kim Dae Jung will be imprisoned if he returns to Korea from the U.S.; Kim almost won the presidential election in 1971 and is a leading opposition figure to the military government.
- Jan. 24—The Korean embassy in Washington, D.C., says that the views expressed by Choi on January 22 were not those of the Korean government.

- Jan. 27—The Hyundai Motor Company of Korea announces that it will begin selling cars in the U.S. later this year; it hopes to build 100,000 cars for the U.S. market.

LEBANON

(See also *Israel*)

- Jan. 8—The Reverend Lawrence Martin Jenco, an American Roman Catholic priest, is kidnapped in West Beirut; he is the 5th American kidnapped in the last 10 months in this section of the city.
- Jan. 11—A man claiming to represent the group Islamic Holy War calls the Associated Press offices in Beirut and says Jenco and the other kidnapped Americans will be released when all Americans leave Lebanon.
- Jan. 12—Lebanese troops begin deploying to southern Lebanon.
- Jan. 14—Islamic Holy War takes responsibility for the killing of 2 French soldiers in Beirut today; the group also says the 5 Americans it is holding will be tried as spies for the CIA.
- Jan. 21—Mustapha Saad, the head of the main Sunni Muslim militia in Sidon, is wounded when a bomb explodes at his home. No group takes responsibility for the bombing.
- Jan. 28—Education Minister Selim al-Hoss withdraws his resignation after strong pressure from Syria and the Sunni Muslims.
- U.S. diplomat William Buckley, who was kidnapped in Beirut last year, appears in a videotape supplied to the U.S.; he asks the U.S. to act quickly to secure the Americans' release.
- Jan. 30—Prime Minister Rashid Karami says he has reached an agreement with Syria that will allow Lebanese troops to enter southern Lebanon once the Israeli withdrawal is completed.

MEXICO

- Jan. 18—The government's National Commission on Foreign Investment announces that it has rejected a plan by U.S.-based IBM (International Business Machines) to produce microcomputers in Mexico that would be a wholly owned subsidiary without Mexican partners.

MOZAMBIQUE

- Jan. 15—A British Consulate official in Johannesburg, South Africa, says that 2 Britons were killed yesterday after they crossed the border from South Africa by guerrillas belonging to the Mozambique National Resistance (MNR).
- Jan. 24—It is reported that MNR guerrillas have blown up a bridge carrying rail lines between South Africa and Mozambique.

NEW ZEALAND

(See *U.S., Foreign Policy*)

NICARAGUA

(See also *Intl, World Court; U.S., Foreign Policy*)

- Jan. 1—Daniel Núñez, an official in charge of the coffee harvest in 2 provinces, says that bureaucratic problems have been more harmful to the coffee harvest than right-wing (contra) attacks.
- Jan. 3—Arturo José Cruz, a former Nicaraguan ambassador to the U.S. and now an opposition leader, acknowledges that anti-government contras have committed atrocities; he says that the U.S. has some responsibility for guerrilla behavior.
- Jan. 6—The official newspaper *Barricada* reports that the government has asked Honduras to extradite Miskito Indian leader Steadman Fagoth Müller, who was arrested in Honduras last week.

- Jan. 9—The new National Assembly is officially seated; the 96 members include 14 Conservative party members.
- Jan. 10—Daniel Ortega Saavedra is inaugurated President. Ortega won 63 percent of the vote in the elections held November 4.
- Jan. 23—Iranian Prime Minister Mir Hussein Moussavi arrives in Managua for talks.
- Jan. 27—Bishop Pablo Antonio Vega, the president of the Nicaraguan Bishops Conference, tells 4 Roman Catholic priests serving in the government that they must resign from their posts or they will be stripped of their priesthood.

NORWAY

- Jan. 2—The Defense Ministry reports that on December 29 a Soviet cruise missile overflew Norwegian airspace and crashed in Finland.
- Jan. 4—Government officials say that they have received an apology from the Soviet Union regarding the overflight of a Soviet cruise missile last week; Soviet leaders say the unarmed missile went off course during naval exercises.
- Jan. 31—Parts of the off-course Soviet cruise missile are found in Finland; 2 British newspapers claim that the missile was headed for West Germany before it was shot down by Soviet interceptors.

PERU

- Jan. 8—The central bank announces that the government will introduce a new currency on February 1 called the Inti; the new currency, named after the Inca sun god, will be worth 1,000 soles, or about 17 cents.

PHILIPPINES

- Jan. 9—Defense Minister Juan Ponce Enrile says that 2,000 civilians and military personnel were killed by Communist guerrillas last year.
- Jan. 23—The government charges Army Chief of Staff General Fabian Ver and 25 others, including 17 soldiers, with the murder of opposition leader Benigno Aquino Jr. in 1983.

POLAND

- Jan. 29—The government prosecutor asks the court trying 4 state security men for the killing of the pro-Solidarity priest Jerzy Popieluszko to order the death penalty for 1 of the defendants and 25-year prison terms for the others.
- Government spokesman Jerzy Urban says the government may begin a crackdown on militant priests; he says the penal code should "protect the feelings of nonbelievers."

SOUTH AFRICA

(See also *U.S., Civil Rights*)

- Jan. 9—The government refuses a request by visiting U.S. Senator Edward M. Kennedy (D., Mass.) to visit jailed nationalist leader Nelson Mandela. Kennedy meets with Mandela's wife, Winnie, who has been banished to a black township.
- Jan. 11—Cabinet ministers accuse Kennedy of interfering in South Africa's affairs; Kennedy has faced demonstrations from the Azanian People's Organization, a black group that opposes white involvement in black affairs.
- Jan. 25—President P. W. Botha tells the opening of the new tripartite, racially segregated Parliament that blacks (who are not represented in the Parliament) will be granted the right to govern themselves in black communities outside the so-called homelands. Right-wing groups accuse Botha of selling out traditional apartheid.
- Jan. 27—In an interview with Nelson Mandela in *The Mail on Sunday* (London), Mandela says he would stop the African

National Congress's war against South Africa if South Africa would recognize the ANC as a political party instead of as a Soviet pawn.

- Jan. 31—Botha tells Parliament that Nelson Mandela will be given a limited release if he renounces the use of violence.

SPAIN

- Jan. 24—Prime Minister Felipe González says the U.S. is missing a "historic opportunity" by calling off negotiations with the Nicaraguans.

SRI LANKA

(See *India*)

SUDAN

- Jan. 18—The government publicly executes opposition leader Mahmoud Mohammed Taha, the founder and leader of the Republican Brothers, a group that opposes the introduction of Islamic law into southern Sudan.
- Jan. 20—President Gaafar Nimeiry announces that Ethiopian Jews and other people living in refugee camps in the Sudan are free to leave, although he will not allow the Jews or others to go directly to Israel.

THAILAND

(See *Kampuchea*)

U.S.S.R.

(See also *Intl, Warsaw Pact; Germany, West; Jordan; Norway; U.S., Foreign Policy*)

- Jan. 2—American Jewish officials in New York say that only 896 Jews were allowed to emigrate from the Soviet Union last year; this is the 1st time since 1970 that the number has dropped below 1,000.
- Jan. 5—President Konstantin Chernenko says that the discussions on arms control being held today in Geneva between U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrei Gromyko should be "honest and businesslike"; he criticizes the U.S. Strategic Defense Initiative ("Star Wars," SDI).
- Jan. 10—2 days of trade talks between Soviet and American officials in Moscow end.
- Jan. 15—Gromyko says that talks on strategic weapons will be impossible if they do not include a discussion of space weapons.
- Jan. 26—Spokesman Vladimir B. Lomeiko says that the forthcoming arms control talks in Geneva will be successful only if the talks on strategic and intermediate arms and space weapons are interrelated.
- Jan. 27—The president of the World Jewish Congress, Edgar M. Bronfman, reports that he has received an invitation from the Soviet government to visit Moscow.

UNITED KINGDOM

Great Britain

- Jan. 14—In the world currency market, the British pound falls to a historic low against the U.S. dollar; Prime Minister Margaret Thatcher's government acts to increase interest rates sharply in order to bolster the pound.

UNITED STATES

Administration

- Jan. 1—Secretary of the Interior William P. Clark tells President Ronald Reagan that he intends to resign his post at the President's convenience.
- The Federal Office of Personnel Management announces that starting on January 2, 1985, federal agencies will be

encouraged to hire temporary employees who receive fewer benefits and are more easily dismissed than permanent Civil Service employees.

Jan. 3—According to President Reagan, White House deputy chief of staff Michael Deaver will leave his post this spring to take private employment.

The White House issues a report defending President Reagan's proposed Strategic Defense Initiative (SDI, or "Star Wars") defense against nuclear missiles.

Administrator of the Drug Enforcement Administration Francis Mullen Jr. resigns, effective March 1.

Jan. 4—President Reagan issues an executive order authorizing the Office of Management and Budget to review many new federal regulations and to delay or modify the new rules before they are made public instead of afterward, as is the current practice.

Jan. 6—The White House announces that the White House office of media relations will now provide on ITT Dialcom verbatim news handouts of presidential speeches and announcements, White House press office news handouts and news from the offices of Nancy Reagan, the Vice President, and the Office of Management and Budget.

Jan. 7—The official count of the Electoral College is presented to Congress; President Reagan and Vice President George Bush receive 525 votes; Walter Mondale and Geraldine Ferraro receive 13.

Jan. 8—President Reagan announces that White House chief of staff James A. Baker 3d will become Treasury Secretary and that Treasury Secretary Donald T. Regan will become White House chief of staff.

Legal Services Corporation president Donald Bogard resigns, effective January 31.

Jan. 10—President Reagan nominates Energy Secretary Donald P. Hodel as Interior Secretary, John S. Herrington as Energy Secretary, and William J. Bennett as Education Secretary.

Jan. 20—In a brief White House ceremony, President Reagan is sworn in for his 2d term as the 40th President of the U.S. Vice President George Bush is also sworn in for his 2d term.

Jan. 21—Bitter cold weather in Washington, D.C., leads to cancellation of the outdoor inauguration of President Reagan and Vice President George Bush; the traditional parade is also canceled; the inauguration ceremonies are moved into the Capitol rotunda. In his address, the President says the nation is "poised for greatness" in his 2d term.

Jan. 22—Addressing anti-abortion demonstrators over a loudspeaker, President Reagan pledges his support.

Jan. 24—The White House reports that the President will tour the country to win support for his programs of budget paring and overhaul of the tax system.

Jan. 30—U.S. Ambassador to the UN Jeane Kirkpatrick tells President Reagan that she will resign her post soon to return to private life.

Civil Rights

Jan. 14—Senator Lowell P. Weicker Jr. (R., Ct.) and 5 other demonstrators protesting against South African apartheid in front of South Africa's Washington, D.C., embassy are arrested for demonstrating within 500 feet of an embassy.

Jan. 15—President Reagan meets with 20 black executives, educators and officials who are part of a group calling itself the Council for a Black Economic Agenda; the White House denies that this is an attempt to bypass other black organizations like the National Urban League.

Jan. 18—In an interview published today, President Reagan charges some black leaders with distorting his record toward

civil rights and says that because of their political commitment to the Democratic party they are keeping "their constituency aggrieved."

Economy

Jan. 9—The Labor Department reports that the nation's unemployment rate rose slightly to 7.1 percent in December.

Jan. 11—The Labor Department reports that its producer price index rose 0.1 percent in December.

Jan. 15—Most major banks follow yesterday's move by Manufacturers Hanover Trust Company and lower their prime rate to 10.5 percent.

Jan. 18—The Commerce Department reports that U.S. personal income rose 0.5 percent in December and, after adjustment, rose 6.8 percent in 1984, the largest gain in 2 decades.

Jan. 22—The Commerce Department reports that the nation's gross national product (GNP) rose at an annual rate of 3.9 percent in 1984's 4th quarter and at 6.8 percent for all of 1984, its best gain in 24 years.

Jan. 23—The Labor Department reports that its consumer price index rose 0.2 percent in December and 4 percent for all of 1984.

Jan. 25—The Treasury Department reports a \$15.2-billion federal budget deficit for December; the 1st quarter of fiscal 1985 shows a deficit of \$72.4 billion.

Jan. 29—The New York Stock Exchange's Dow Jones Industrial average of 30 blue-chip stocks closes at a record high of 1292.62.

Jan. 30—The Commerce Department reports that the U.S. foreign trade deficit for December totaled \$8.2 billion; the foreign trade deficit for all of 1984 totaled a record \$123.3 billion.

Jan. 31—The Commerce Department reports that its index of leading economic indicators fell 0.2 percent in December.

Foreign Policy

(See also *Intl, Arms Control, UN, Belgium, China, El Salvador, France, Germany, West, India, Korea, South, Lebanon, Nicaragua, South Africa, Spain, U.S.S.R., Vietnam*)

Jan. 2—President Reagan meets in Los Angeles with Japan's Prime Minister Yasuhiro Nakasone to discuss trade issues.

Jan. 3—President Reagan proposes that the U.S. increase its food relief for African nations by \$411 million.

Jan. 7—Secretary of State George Shultz and Soviet Foreign Minister Andrei Gromyko meet in Geneva to discuss arms control; the meeting lasts 7 hours and is designed to devise a format for future negotiations between the U.S. and the Soviet Union.

Jan. 9—Shultz and Gromyko conclude their Geneva meeting and reach an agreement to hold future meetings on arms limitation.

The State Department "categorically" denounces Vietnam's military actions along the Thai-Cambodian border.

In a televised news conference, President Reagan says that he hopes that the coming U.S.-Soviet arms control negotiations will produce "a new dialogue" and negotiations to improve the relations between the 2 countries.

Jan. 14—The Justice Department announces the arrest of some 60 aliens and 16 citizens in church groups charged with smuggling illegal aliens into the U.S. from Central America.

Jan. 17—The U.S. embassy in Bogotá begins evacuating the children of the embassy staff because of reported threats to their safety from Colombian drug traffickers.

Jan. 18—President Reagan appoints Washington lawyer Max Kampelman to head the U.S. delegation in Geneva discussing arms control with the Soviet Union; the President also names former Republican Senator from Texas John Tower to lead the group dealing with strategic arms and career

Foreign Service Officer Maynard Glitman to head the group dealing with medium-range weapons.

The State Department reports that the U.S. will not participate in the World Court proceedings involving Nicaragua's suit against the U.S.; this is the 1st time the U.S. has walked out of a case in the World Court (the International Court of Justice).

The State Department reports that the U.S. has suspended further negotiations with Nicaragua over Central American security and other problems; the talks were initiated in June, 1984.

Jan. 21—The State Department reports that the U.S. has formally asked New Zealand to permit the visit of a U.S. Navy ship, either nuclear powered or carrying nuclear arms, despite New Zealand's policy of forbidding port calls by nuclear-armed or nuclear-powered ships.

Jan. 22—President Reagan says that his most "important goal" in his 2d term is arms control agreements with the Soviet Union.

Jan. 24—Addressing legislators from some 60 Western Hemisphere countries, President Reagan says, "A new danger we see in Central America is the support being given to the Sandinistas by...Libya, the PLO and, most recently, the Ayatollah Khomeini."

Jan. 26—Arms control talks are scheduled to begin in Geneva on March 12; President Reagan says he is "a little more optimistic" than his advisers.

Jan. 28—The White House reports that President Reagan will visit Spain and Portugal as well as West Germany in May, 1985.

Jan. 30—The State Department announces that the U.S. will not sell new arms to any Middle East nations for the next several months while it undertakes a "comprehensive review" of the effects of such sales on the stability of the region.

The White House announces that the President will ask Congress to increase military aid to Israel to \$1.8 billion in fiscal 1986; no specific request is made for economic aid.

Beginning to lobby for his military budget, President Reagan tells the House Appropriations Committee that he has instructed the American envoys going to the Geneva arms control talks to "get up from the table and come home," if they are unable to negotiate a satisfactory agreement with the Soviet Union.

Jan. 31—In testimony before the Senate Foreign Relations Committee, both Secretary of State Shultz and Defense Secretary Weinberger claim there is increasing support for President Reagan's Strategic Defense Initiative.

Labor and Industry

(See also *India; Mexico*)

Jan. 23—The Environmental Protection Agency reports that the Union Carbide plant at Institute, West Virginia, accidentally leaked methyl isocyanate some 28 times in the last 5 years; methyl isocyanate is the gas that killed over 2,000 people in India in December, 1984.

Jan. 25—Union Carbide officials maintain that "immediate attention" was given to safety precautions after reports of the possible danger of leaking gas at its West Virginia plant.

Legislation

Jan. 3—The 99th Congress begins its first session.

Jan. 4—House Democrats elect Les Aspin (D., Wis.) as chairman of the Armed Services Committee, defeating incumbent Melvin Price.

Jan. 15—The Senate Ethics Committee releases a final report that says "not one witness provided evidence of any corrupt behavior" by Senator Mark Hatfield (R., Ore.) in his dealings with Greek financier Basil Tsakos.

Military

Jan. 3—The Defense Department announces that it will use lie-detector tests to screen some 3,500 employees and contractors with access to some 101 "special access programs," with highly secret information.

Jan. 11—The Defense Department names Lieutenant General John R. Galvin as the commander of U.S. forces in Latin America, to succeed retiring General Paul F. Gorman.

Press Responsibility

Jan. 24—In a U.S. District Court in Manhattan, N.Y., a federal jury finds that *Time* magazine was not guilty of libel in the case of former Israeli Defense Minister Ariel Sharon, because *Time* was not proved to have had "serious doubts as to its truth." However, it finds that *Time* employees acted negligently and carelessly in reporting on Sharon in *Time's* February 21, 1983, cover story, "The Verdict is Guilty," a report on Sharon's responsibility in the 1983 massacre of Palestinian civilians in the Sabra and Shatila refugee camps in Lebanon.

Science and Space

Jan. 27—The space shuttle *Discovery* lands at Cape Canaveral after a 3-day secret military mission that included the launching of a satellite with military application; all information about the trip is being withheld.

Supreme Court

Jan. 7—The Court refuses to review the decision of a lower court that upheld an affirmative action plan by New York State in 1982 raising the examination scores of minority group prison officers for promotion to captain; white officers appealed the action to the courts.

Jan. 8—In an unanimous decision, the Supreme Court reverses a lower court ruling and agrees that police, acting without a warrant, may briefly stop and detain a person known to be wanted by police in another city.

Jan. 15—Ruling 6 to 3, the Court says that under the constitution, public school teachers and officials can search students if there are "reasonable grounds" they will find evidence of a violation of school rules or the law.

Jan. 21—In a 7-2 ruling, the Court says that a criminal defendant has a constitutional right to legal counsel on an appeal.

In a 7-2 ruling, the Court says a prospective juror may be excluded from serving in a murder case if he expresses hesitation about the imposition of the death penalty.

Terrorism

Jan. 1—A bomb explosion causes extensive damage to an abortion clinic in Washington, D.C. No deaths or injuries are reported.

Jan. 2—Two women are charged as accessories in the Christmas bombing of 3 abortion clinics in Florida; 2 men have already been charged.

Jan. 3—President Reagan condemns violence at abortion clinics.

Jan. 19—3 men are arrested and charged with 8 abortion clinic bombings in the Washington, D.C. area.

VATICAN

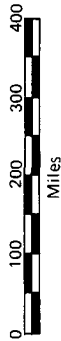
Jan. 26—Pope John Paul II arrives in Caracas, Venezuela, to begin a 12-day tour of South America.

VIETNAM

(See also *Intl, UN; China; Kampuchea; U.S., Foreign Policy*)

Jan. 31—Foreign Minister Nguyen Co Thach says Vietnam would welcome an American presence in Southeast Asia. ■

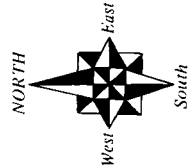
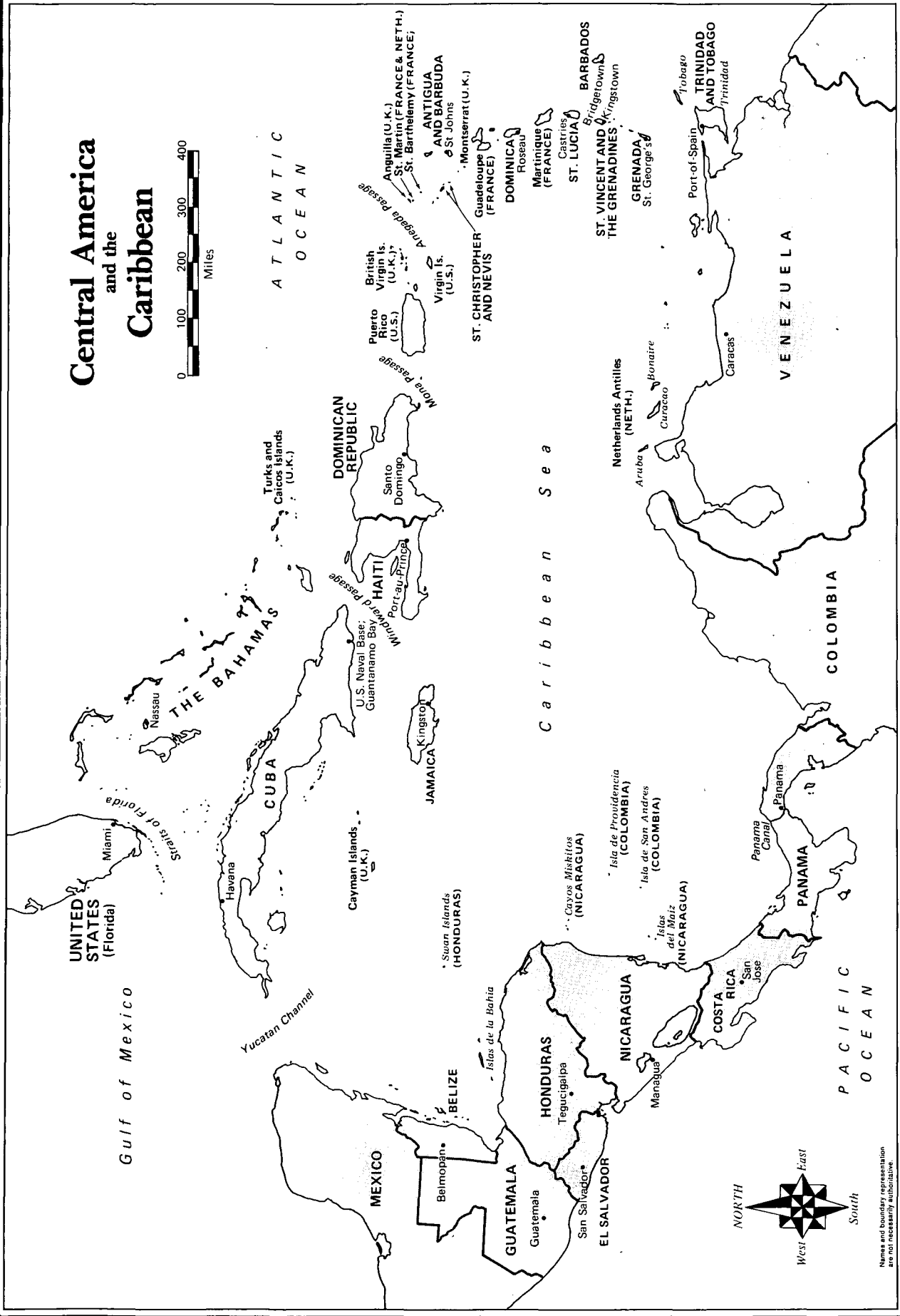
Central America and the Caribbean



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OCEAN

Caribbean Sea

PACIFIC
OCEAN



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